

LEADERSHIP ROUNDTABLE RECAP

June 3, 2020



Les Gombik: Well, good morning, everybody, thanks to all of you for joining us today. My name is Les Gombik and I'm a managing partner with Caldwell. Here we go with another great panel for our weekly COVID Roundtable Leader Call, which is our lucky 13th call today. Each week, we bring together over 600 board directors and executives from across North America to learn, share and compare with each other. Times are tough out there with the COVID healthcare crisis, the economic crisis and now the increasing social unrest. We as business and community leaders have a lot on our plates. It's my hope that these calls can provide some good ideas that you can take back to your organizations. Each week, dozens of new people want to join us as participants and speakers. In fact, we've now had over 1,300 different people join over the weeks with hundreds saying that this is the one call they have firm in their schedule. As executive recruiters, we at Caldwell know a thing or two about talent. By leveraging our network, we hope to continue to add value and raise the bar of each session in bringing together some of the best and brightest. A heads up to our panelists today, no pressure. Though I don't think they're worried because these three leaders are on Canada's Most Powerful Women list and are battle tested. And this is actually one of the easier calls of their days.

Our first panelist is Christy Clark, former premier of British Columbia, Bennett Jones, senior advisor and chair and director of multiple boards and organizations, including the School of Public Policy at McGill University, Shaw Communications, Recipe Unlimited and Constellation Brands. With Christy having been a premier for over six years, she knows firsthand how governments are challenged at the best of times, let alone during the biggest crisis of our lives. Although she left political life in 2017, she's still deeply connected and will share insights into what's going on behind the scenes in government and what they're forecasting and what we can expect to see over the next little while. Next, we'll hear from Colleen Johnston, board director on Shopify, McCain, Q4, Unity Health and former CFO of TD Bank. In our feedback forms each week we continuously get questions about healthcare, technology trends, food supply and working from home. Well, Colleen has firsthand strategic knowledge of all these areas with the various boards that she serves. And finally, we'll spend time with Geeta Sankappanavar, president of Grafton Asset Management and chair of Daytona Power and the University of Calgary, she also sits on the board of UNICEF and a number of other not for profits. Now, having run these calls for 13 weeks we've tried to cover all sorts of industries, but we haven't really touched on private equity, education or not for profits. Well, Geeta covers off all of these. We're in for some fun today. Like we've been doing over the last few weeks, we're going to run some polls during the session. As for the Q&A, you can send me a text or an email or you can use the Q&A button at the bottom of the screen. Now, we only have an hour for this morning, and each of these panelists could keep us engaged for all that time on their own.

Les Gombik: So let's get to it. As mentioned, our first speaker is Christy Clark, former premier of British Columbia. Christy, the listeners are excited to have you join us. With you being out of politics now, you're not going to speak in tongues like many politicians do in front of large audiences but at the same time, you're not so far removed that you've lost touch with what's really going on behind the scenes. Now, I know you've had a number of conversations with various leaders in government and industry ahead of this call. Help us understand, Christy, what you've learned and what we need to be ready for.

Christy Clark: Thanks, Les. And thanks to Caldwell for hosting this. I'm really honoured to be part of this call and to be here with Geeta and Colleen as well. Thank you to all our participants on the call. I thought what I would do is walk through what and how I see this unfolding over the coming months. On the boards that I'm on, we're thinking a lot about how do we get employees back to work safely. Where is our revenue going to come from? How quick is consumer spending going to come back? And a lot of it is really dependent on what we expect from a health perspective, in terms of social distancing and people's confidence in the economy. A large part, of course, is dependent on the way government decides. They want all of this to unroll as well, and there's some pretty important obligations the government needs to keep in order for this to work out better than it might. And I think we all know there is a worst case scenario for the economy and there is a best case scenario for the economy, and we want to land as close to the best case as we can. Starting with this summer, that's already underway, we see people outside and I see them on the seawall everyday – it's crowded. It's almost like COVID is over in people's minds. I think we are going to see a continued improvement in the number of hospitalizations and the number of deaths. Those numbers, I think, are going to continue to be pretty good across the country, although Quebec continues to have a more serious problem. I would remind everybody listening that the number of infected people is not really a very good measure of anything except for how much testing the jurisdiction is doing. The only reliable measures we really have now are how many people have been hospitalized and how many people have died. From a policy perspective, we need to be able to separate those who are dying and are seriously ill, those who are inside long-term care and residential homes, which have very unique, tragic problems and the general population. It's really important that we keep that in mind as we move forward into people coming back to work. Not everybody is equally at risk of serious illness. We are all at risk of contagion and we are all at risk of potentially killing somebody else because we carry the virus. But we're not all equally at risk of getting equally sick. So, that's one thing that we'll see. We will see some new small outbreaks across the country.

In terms of the summer for those of us who live in the West, as a former policymaker, I would say we've got the COVID issue (the issue of our people's health), we've got the issue of the economy and how we're going to make that comeback but also on top of that, in the West, we are predicting much higher than average risk of forest fire. And so, if you live in Fort McMurray, you live in the revenue producing parts of the country from a resource perspective, there's also going to be that complication that complicates governments' ability to be able to respond as well as they might, if they were able to be solely focused on one thing. In terms of lessons learned, one thing I would say is, government needs to characterize the level of risk differently. It's easy to be an armchair quarterback. But I think, looking back, it was a mistake for governments and policy leaders to say nobody should go out, we should all be inside, really put us in as much lockdown as they possibly could. I think it really impaired

everybody's ability to entrench good behavior. And so now we're seeing people are not social distancing the way that they probably should now that they're getting outside. I also think that for some people, we need to be careful around people who are very vulnerable. But there was kind of a level of putting everybody in the same risk bucket, which I don't think was really helpful. I would say, the other thing is government seems to really be understanding now how important it is that we sequester the most vulnerable people, elderly people who live in residential care, obviously, being first among those. They need to reconsider the way that they manage hospitals. So, a lot of hospitals in the country canceled almost every single surgery, people died as a result of not being able to get healthcare in a monopolistic system that we have in Canada and the COVID patients didn't come. So I think the government does need to reconsider going forward how they want to manage hospitals so that we can do both. I would say in BC, it's going to take two years just to catch up to the surgery waitlist that they've created as a result of this. Not a mistake that I'm sure anyone could have foreseen but I think we could foresee that now and I think the other thing government needs to do is publicize where the hotspots are. The idea that they wouldn't do that I don't think was very productive.

So what do businesses need to do to reopen safely? What I hear is businesses are really hungry for government guidelines around this, and I don't think it's appropriate for government to expect individual businesses to figure this out on their own. Yes, businesses can probably figure out based on what's out there now, how far desks need to be apart and whether or not people need to wear masks. But they do need to make sure that we have as many Canadians as possible sign onto symptom tracking so we know where hotspots are going to be in neighborhoods. And we need to do contact tracing and contact identification. There's mixed results across it in the world, even in Singapore, it hasn't been enormously successful. People don't really want to share that information and it takes an army of people to do the contact tracing to make it work. One of the things that has worked, though, in New Zealand is they gave every business a unique QR code. And I think this is something governments are discussing. If I was still in government, this is something that would have been pretty attractive. And with that QR code, we want all of your employees to fill out one form to tell us what their risks are. Do they have a heart condition? Are they immunocompromised? And then every day do a quick survey to say, how are you feeling? What are your symptoms? And then when you get to work you're red, green or yellow. You're either allowed to go into work or you're not based on your QR code. And so you can work from home if you have an underlying condition or if you're sick. But then employers would have some method to know that their employees are coming into work healthy every day. And I think also some legal protection around that as well. In the absence of readily available, highly reliable, quick result testing, we are going to have to rely on individuals to self report. But I do think it's quite reasonable for employers to ask people every day and you're not going to have somebody at the door taking notes. So, I think the New Zealand model is something that we could be thinking about for Canada.

For the Fall, September and early October are going to be different. What's going to happen in late October is flu season is going hit and not everybody is going to get the flu. Some people just get the sniffles. The problem is the symptoms are very similar to COVID. So there's going to be a lot of people who fail the test when they go into work or when they sign in to go into work. And a lot of people who won't be welcome at work because people will imagine that they're contagious. And so, again, that widespread availability of testing is going to become really important and I do think

that's getting fairly close. Then January to March, will businesses be allowed to only allow vaccinated workers on site if a vaccine is available? That's something I think government is probably considering and in some provinces, they don't allow children to come to school if they're not vaccinated. Can employers retain the right to stop employees from coming if they're not vaccinated? So that's an important question. The government hasn't answered and still needs to answer, in my view. I think the Fall is going to be really tough and the Spring is, too. When you look at our economic statistics and where Canada's growth comes from, the housing sector, CMHC is predicting a huge fall in housing starts 50% to 75%. They're predicting 20% of mortgages will be in arrears in September. Cities are forgiving as they should and wisely. Property taxes for people who can't afford to pay it but those will come due eventually and so we'll see shrinking tax bases for cities as well as for provinces. Cities much less able to manage that. And the oil and gas markets are absolutely killing Canada's ability to be able to pay for all of the things that we need, including healthcare. So, I'm really worried about where we're going and I do think this is going to be a fairly deep recession, if not a depression that we're facing. But I think government can make a real difference in terms of ensuring that businesses have the tools to be able to get business back to work and get people back in the workforce safely and confidently and I think that boosts consumer spending but it also makes sure that people as individuals have confidence that the world is a safe place to be again. So that's my contribution. In 10 minutes or less, in fact, exactly 10 minutes, Les.

Les Gombik: [ringing sound in the background] Was that your alarm, Christy? That is fantastic. You can tell you've done you've a few speeches.

Christy Clark: Well, I used to have somebody with a hook that would pull me off the stage. [laughing]

Les Gombik: It's great. Thanks, Christy. Well, you've given us a lot to think about and certainly sounds like you're maybe a little bit more bearish than bullish. And, you know, clearly a lot of people on the line here have commercial interests from the boards that they're sitting on, whether that be for profit or even not-for-profit or government backed organizations in one way, shape or form. And I think as we get into the Q&A a little bit later, we'll talk a lot more about the things that you've touched on. But a lot of the questions that we've been getting over the weeks are really around how quickly are we going to truly start getting back to some semblance of normal? I think a good place to start might be with our first polling question for everybody on the call. I'm going to ask everybody to take a look here, this is a general question and we might start tracking it more regularly as we go through these calls. Over the weeks and months: Is my organization starting to expand the size of our team, whether through bringing back people that were previously furloughed or hiring new ones? And really, you know, this gets to the nub of the matter is how much longer before we start to see some semblance of recovery. So, Christy, thank you for your comments. We'll get to the answers to this polling question and a lot of the questions that have been asked of you so far, which there are numerous.

Let's keep going. So every week, for those of you that have been on this call, you know that we have a board corner segment of the call. And this is one that has been one of the most anticipated of all the calls that we've done to date. As mentioned earlier, Colleen Johnston sits on multiple boards. She's in tech. She's

in consumer-packaged goods. She's in healthcare. She's also a former CFO of a big bank. Any of these experiences in their own right would have made you, Colleen, an intriguing panelist. When Shopify recently announced and was crowned as Canada's most valuable company and made the bold announcement that you're digital by default, that became a key reason why a number of people joined this call. Now, Colleen, you mentioned you're on the board and this is was a management implemented and focused decision. But I know you're going to touch on that a little bit, but you've got so much more that you're going to touch on. Colleen, let's jump over to you and talk about the things that you're dealing with in our board corner segment.

Colleen Johnston: Well, good morning, everyone. Thank you very much, Les. And I am delighted to be here with all of you today. I'm going to cover three topics. I'm going to talk about leadership during a crisis. I'm going to talk about hospitals and hospital governance, something I'm very involved with these days. And I am going to talk about Shopify. And there is a lot of interest, I know, in digital by default. So, I'll take a minute or so on that. But just talking about some broad perspectives on leadership first. You know, this is going to sound like an odd thing to say, but never since I retired 26 months ago have I had a real yearning to be back in an executive role. And I do look wistfully at executives who are running your organizations today. Now, you may think that's a very odd comment. Why? Leadership just matters so much now. It really matters in how you're running your companies for your team members, for your customers and clients, financial viability for our communities, frankly, for the future of your company and for the future of our world. It really, really matters. And I applaud all of you who are in leadership roles today.

Talking about battle tested, I'm going to go back and talk for a minute or two about the financial crisis. It seems like a long time ago, but I have still have many memories of it. And I'm going to go back to November 2008. And liquidity, as everyone knows, totally seized up in the market and at that time that TD issued a Q4 earnings warning and we did surprise the market at the time, it wasn't expected and I remember the headline from the top rated analyst of the day, "How the Mighty Have Fallen." It was like a stake through my heart. It was such a tough day and when I got back to my office at the end of the day, after talking to investors and analysts all day, there was a huge bouquet of flowers waiting for me from our CEO, Ed Clark, and the senior team saying thank you for everything you did today. And that just tells you a lot about leadership and culture and great leaders.

So a month later, December of 2008, TD always had our senior leadership conference, with 1500 of our top leaders in the organization, and Ed Clark was on the stage and he made a very simple, elegant statement to the group. He said, "Canada is definitely going into a recession. Think about recession like a valley. The key is to get to the other side of the valley with our model intact and emerge with momentum on our side." Get to the other side of the valley with our model intact and emerge with momentum on our side. It was a moment of inspiration, frankly, and visionary leadership that I will always remember. In fact, I repeated it to many investors over the years that followed and everybody got it. And I think it's fair to say that TD gained a lot of market share in the years that followed. We really had a vision of where we needed to go. And in the months that followed, Ed and I also made it our mission to spend a lot of time with investors and analysts. And it's easy to say, when you're leading a company, "God, I don't know what's going to go on here, who knows?" And withdraw from the market. But I would highly recommend against that. No one has a crystal ball on this crisis or what we went through back in the financial crisis. But, you know, investors were hit

hard at that time. And what better time to get out there and talk about your own view of where the world is going? It probably isn't right but at least to get out there and talk. And again, that was a defining time for TD where we really started to develop a huge brand around investor relations for transparency, accessibility and value-added relationships with our investors. So, simple advice to leaders. I mean, this is a bleak time for humanity. It really is. But crises do end and that element of inspiration is so important. I think there's an opportunity to redefine your business model, stick to your values and be very courageous. And I know that's what you've been doing over the last few months. Double down on the vision, the leadership and certainly investor relations would be my strong recommendation. And again, focus on that simple message that is going to galvanize everybody in your organization and maybe they'll be repeating it in the years to come.

So let me change gears and talk about hospital governance. I am the chair of Unity Health Toronto, which is Toronto's Catholic hospitals - St. Mike's, St. John's and Providence. Back in mid-March, our board decided to completely revisit our governance practices to focus on ruthless priority setting, getting out of management's way unless it's mission critical. Our executive team is working 24/7, ensuring much more agility, but at the same time making sure the board doesn't fall behind. And that's a really important point. Hats off to Nora Aufreiter on that one. One of our vice chairs who said we can't fall behind as a board because this is a time when the board can bring a huge amount of value. So while maintaining, obviously, the right separation between management and the board, we decided we really wanted to support executive management, share the burden where we could. And there obviously was no off the shelf playbook for any of this. Our principles were to take care of each other as board members and the executive team in this extraordinary and challenging time and challenge the operating model of the board. And I'll talk about that in a second. Be flexible in board engagement, appreciating that not all board members can adapt as easily to new protocols and, frankly, different levels of detail. And have open discussions about that and take a long view, ask deliberate questions but be thoughtful and avoid asking questions out of curiosity, which one can get into. So what did we do? We established an executive committee to be used when we can't get quorum quickly and also for advice to our CEO. We changed our board agendas, eliminated long elaborate decks, developed weekly communication protocols, including key metrics and all board queries are directed to me as chair and I'll go and find the answer. Our committee meetings, which are typically held monthly, were either canceled or redesigned to be fit for purpose. We suspended board turnover and we moved to virtual, obviously like everybody else. An example of a smart process is we've just gone through a year-end evaluation of our CEO, which included a performance review and compensation review, and we took a very pragmatic approach but a robust one still, because everything will get judged through the rearview mirror. And we had an excellent process, one that our CEO really appreciated. And frankly, we ended up doing it faster than last year. So needless to say, I am incredibly proud of what Unity Health and all of our hospitals are doing across this country to support our patients, to support the homeless, to support long-term care and the broader healthcare system. It's absolutely outstanding and we owe them a huge debt of gratitude. Frontline health care workers are the heroes of this crisis and I don't need to tell anyone that. I'm very, very proud of what's going on at our hospitals. I'm very proud of our board as well in terms of how we adapted.

Let me just cap it off with Shopify. I mean, obviously, what a fantastic story. Everybody's following Shopify, not just because they've been flirting with the number one market cap in the country, but more so because they are such a purpose driven organization. They truly are democratizing commerce globally and lowering barriers to entrepreneurship. It's such a great, great story. Clearly, they're going to be a winner and they are a winner in the post-COVID world. We're not there yet but their view is probably the most important point to make, it is that our world is not going back to normal. And we talk about a new normal six months from now, is this going to be the new norm of the world? Their view is that in the past 10 weeks, our world has moved forward by 10 years. So, we're in the year 2030 right now. And I think that's an important lens, at least a way of thinking about the world. For them, obviously, the percentage of online sales is increasing dramatically and a lot of that is going to more than offset what we're going to see in terms of weakness in the economy. Digital by default, you've seen this in the news. Shopify is really moving to more of a permanent work from home philosophy. People will not be returning to the office in 2020 and the offices are now being redesigned for the new world. For digital, first way of thinking, working and operating spaces will be reconfigured for remote meetings, physical distancing and redesign with more safety protocols in place. Even if you're attending a meeting, you'll always be on a tile, like we are today. So, interesting. And many will work from home, permanently. What's the good news? Is you can continue to hire the best talent in the world, anywhere in the world, unconstrained by physical location. So that is a pretty cool aspect of it. Why? And I'll sum up in a second. The view and I think this is pretty compelling, is that the hybrid model doesn't work. And we've had the hybrid model in the past where some people are at the office and some people work from home, and the people who work from home generally get a bit marginalized in that process. Why is it working well now? Because we're all working from home and we're all on virtual, and virtual is going to get so much better. It is going to get perfected and we're all going to figure out how to work well in this environment and manage our time and manage all of our various commitments. So I think that's a pretty compelling reason to rethink the future of work. There'll be a lot more to come and they will be doing this work over the coming months. So let me sign off there, I could share many insights from my various boards but really appreciate the chance to speak to the group today.

Les Gombik: Great, thanks, Colleen. You've given us a lot to think about and there's a pile of questions that are coming into me by email and I see there's some as well coming online. As I sit here at my home office, I have to admit, I've really started to enjoy working from home. I didn't originally, but I really do now and Caldwell recently announced, globally, we're not mandating that our people need to return to work until at least September, I was personally excited because I have a pretty good work from home setting. But a number of people that I speak with, they can't wait to get back to the office and I know this is a question that many organizations and people are asking. So here's the next poll question. In our organization, on average, our employees, if given the choice would: a) prefer to work from home all the time; b) would prefer to work from home more often than going into the office; c) equally at the home and at the office d) would actually prefer to be more at the office than at home e) prefer to be at the office all the time or f) I'm unsure.

Let's move on now to our next panelist, which is another very powerful woman, my friend Geeta Sankappanavar. Now, Geeta, as we were prepping for this conversation, I have to admit, I think I mentioned to you, I got a little nervous because Geeta has so

much exposure to areas that I know that are of interest to so many of you, from all of the questions and feedback that we get each week, that trying to keep your remarks to ten minutes is also going to be tough. But our two other panelists both did it, so, Geeta, the pressure is on. You could obviously talk about private equity firms and how they're deploying their dry powder as the president of Grafton Asset Management. I'm sure you could talk about how education is being completely disrupted as the chair of the UofC or how the not-for-profit sector makes our commercially focused businesses look like we live on Easy Street. So, Geeta surprise us. How do you want to spend your ten minutes?

Geeta Sankappanavar: Thanks, Les. I am really, really honored to be here and have the opportunity to learn from Christy and Colleen as well. So, thank you for the invitation. Well, when you asked me to share my perspective or actions as an investor, a business leader in energy during this crisis, as well as a non-for-profit board member who like many of you on this call, care deeply about our community. I thought it would be helpful to share my actions and reflections across three dimensions. Number one is the dimension of time. So what we did at the onset of the crisis, inning one. What we did in inning two, which I called the pause and regroup before we get back into the fray. And then three, how we're kind of looking at it going forward. The second dimension is just the perspective I've taken to categorize all of my actions, which is basically toggling between playing defense, which is playing not to lose, as well as playing offense, which is playing to win, which are two completely different mindsets, require different types of people, different skill sets, etc. And then the third is a little bit of commentary as we look through this in terms of my own personal journey as a leader.

And before we start, I'm going to tell you a little bit about myself, because as an investor, I really believe you need to always understand the lens within which a person views the world in order to understand the biases that we all bring to our lenses from the experiences that we've had. So, personally, I was working in New York City until about 13 years ago when I met my husband. I'm an immigrant. I'm somebody who comes from poverty and I believe in education, work ethic and relationship networks as ways that we can change the trajectory of human life. And third, personally, I'm a woman just like the other two on the video conference in industries dominated by men, and for me, it's financial services and energy. Like most of the people on this call and like yourself, very much, Les, I care deeply about making a positive impact in my business, in my community and the world and with the people around me and because of my personal history, I have a real bias, you need to understand that, towards reimagination, reinvention and reinvigoration. Professionally, I run an energy investment business here in Calgary that has raised and deployed over a billion dollars, we own and operate oil and gas assets and as a result of the pre-COVID sector trends we were seeing in the energy business, we were already in the middle of a full business re-imagination that leveraged our skills, experience, capital networks team to try and transform our energy investment business into a more sustainable platform in water, waste and renewables. And just after putting our oil and gas business back on the path to success at the beginning of this year, after our 2014 crisis in the oil and gas sector, in March of this year, just like many people we were hit with yes, the whammy of COVID. And then we got the double whammy of the OPEC+ crisis. That's a bit of a backdrop. I hope I make everybody feel a little bit better with that. I'm also the chair of the Board of Governors for the University of Calgary. We have 35,000 students at \$1.5 billion budget, in less than eight years the UofC has moved from number 11 to number six in the Canadian Research University rankings. We've broken the top 200 of the

best universities globally. We've doubled research revenues to \$500 million. This is an unheard of feat in the post secondary space. In Q3 2019, we got a 7% in your budget cut with one quarter left to go. And we are managing and navigating and steering the Queen Mary, no, not a cigarette boat. And so we move fast to cut non-essential spend, raise tuition, begin collective bargaining at multiple tables, simultaneously. And we were just beginning our entire reimagination - how do we deliver world-class student academic experience, leverage our talent building platform to help our local Calgary community reimagine itself because our community is facing a crossroads where we could become Denver or we could become Detroit, when we were hit by the COVID crisis. I also serve on the board of an entity which owns the Calgary Hyatt Hotel for whom the profits are donated 100% to serve a community foundation. And when we were hit by COVID, we went from a stable, thriving business to zero overnight. So if you take that as a backdrop of the lens in which I'm viewing the world, as I look at the pandemic, it was a quick onset crisis and it hit most countries and industries simultaneously. It caused a significant humanitarian and economic crisis globally, as Christy talked to.

But unlike most event driven crises, it is ongoing and evolving, and it has significant continued uncertainty about intensity, duration and effects. And what I am seeing is it has pushed people, organizations and leadership beyond capabilities, resources and knowledge. However, as Churchill once said, "Now is not the end. It is not even the beginning of the end, but it is perhaps the end of the beginning." I lived through 9/11 in New York City, which was a local shutdown. I went through 2008 in New York City, which was a global financial and liquidity meltdown, and then 2015 in Calgary, which was a sector specific oil and gas crisis. And from these experiences, I thought I had the playbook to manage through a crisis. Number one, you protect your team, you take them home, you do whatever you can to support them in their needs and you help your community. Number two, you get financially resilient. You draw down your bank lines as soon as you know you have to. You cut all non-essential spend. You shore up your liquidity and you pause and you look and you see what you can learn from the environment around you. Number three, you begin planning for how to get the business back to scale and you plan for how you reinvent yourself in the new normal to Colleen's point. And then four, you pay attention to how government interventions can and will affect your industry and your company/organization. And in the space of days, I went from thinking as a leader, as a chair of a board, as a director from the terms of strategy, how to develop the people around me to become better. Nose in, hands out governance to a full Defcon 5, all out defense mode, hyper-tactical, hands all in, weaponizing boards I serve on or lead burning-help management teams and especially CFOs, benching key players that were not impactful in my immediate near-term priorities. And the reason I call out CFOs specifically, I got a note one night from my CFO who said, "Being a CFO is easy. Especially in a crisis, it's like riding a bike, except the bike is on fire, you're on fire. Everything is on fire." I'm doing all the things that you probably should not be doing and we'll find out as we come through this in the next 12 to 24 months if we were right or wrong. I think the jury's still going to be out for at least another year. With team, it's a complete shift in priorities from helping them professionally develop to meeting basic human needs. Are you safe? Is your family safe? How are you doing from a mental health perspective? It's not your usual daily conversations. And so from all of these, I went into full-on triage mode. In my business, we followed that playbook. We drew down our bank lines immediately. We shored up our balance sheet. We cut all non-essential spend. We paused and we looked around at the world to figure out what is our offensive moves. And we immediately went into offensive mode.

At the University of Calgary, as chair, I suspended all non-core operational activities for 60 days as the executive leadership team, who is an amazing team, I have to call them out on this, they are so good, went into full on defense mode: protecting our community, getting 35,000 students online in a weekend, ready home students and staff that were all over the world dealing with conflicting stakeholder priorities, including those of the government.

And so it was a very, very different requirement to manage on the hotel board. We went into operational mode, actually, because we were going into weekly liquidity meetings. In all scenarios, we were scenario planning nonstop across all of these businesses, forecasting, re-forecasting and doing it again. How long can cash last? How long can liquidity last? And economists describe a moment like this as a sudden stop. It's a sudden stop of capital. And one of the things that we have to do is we have to understand that the world has changed. We used to live in a probabilistic world where we could identify the breadth of potential outcomes and we could leverage the strengths of our team, our capabilities, our skills, our networks to probability wait those outcomes. Today, we are living in true uncertainty, the "I don't know, what I don't know." Where we cannot even identify the relevant features of those uncertainties and if you are living in that world, you have to understand that it's no longer about biases to optimism or pessimism. It's about planning and forecasting for everything. And so as I just wrap up on comments here, I'll say finally, as we moved into kind the phase two piece of it, which is that pause is necessary before we really accelerate and reimagine.

I'll leave you with a few comments. One, we have to acknowledge that the world that we are living in is not the same probabilistic world versus the uncertain world where we can no longer maximize our expected value as leaders while considering the variance on risk that we want to take on. Instead, we have to just know that we will be, just as we were in the onset of the crisis, differentially impacted by industry. As we come out of it, we will have a differentiated recovery by sector, scale and geography. That's number one. Number two, we have to throw out status quo thinking, it is human nature to hope that things will get back to normal. My view as an investor is 'hope' is not a strategy. It is a four letter word. Mourn, grieve the business, the organization that was and plan and reimagine the organization that will be based on the scenario planning for the future. In 1665, the University of Cambridge temporarily closed due to the bubonic plague. Isaac Newton had to work from home and he used this time to develop calculus and the theory of gravity. So what can we and what can our teams do? And then lastly, as a leader, don't waste the crisis. As leaders our job is not to fight every single alligator. It is to cross the swamp. And we are constantly struggling with, at least I am, articulating a clear and compelling mandate for change or reinvention or reinvigoration, if needed. We now actually have one to rally everybody around to reimagine and reinvent our organizations for tomorrow. So, grieve, mourn and honour the organizations and strategies that we had, that we were and reimagine and begin the imagination process for who we will be.

And the last thing I'll leave you with, because it's one that's been on my mind, and Les, we talked a little bit about this, is that as the pandemic has unfolded and as governments begin to make opening decisions and made the decisions for shut down and seeing all the recent protests in across North America due to racial inequality that we are seeing, and with a lens that I firmly believe that equal opportunity does not cause equal outcomes and the role of government is to help provide equal opportunity, not to tax and distribute for equal outcomes. I'll just say the current climate of social unrest where people feel marginalized due to either their color or their gender or their

religion, who they love, what language they speak at home is not one that is conducive for any type of reinvention, reimagination, diversity, inclusion, thought process, anything. You first must have safety before you have anything else. And we have had the luxury as leaders, as CEOs, as board directors of being part of that 20% to 30% of the North American economy that can stay at home, stay healthy during quarantine, have groceries delivered. And in the service of our health and public health, can stay at home and continue to earn income while the majority of people cannot. And so it's just something I think we need to need to consider.

Les Gombik: Wow. Geeta, thank you very much. Wow, for all three of our speakers, this is inspiring and I wish we had a lot more time and another hour, maybe we bring you back for another hour. But let's move to rapid fire Q&A. The very first question and it really centers around Geeta, you had mentioned a little bit around, stop, look around and then get proactive and get on the offense. And Colleen, you had mentioned specifically around the speech with Ed around, you know, we're in a recession, but let's come through the other side with momentum on our side. Let's show real quickly the polling results from that first question around are things are actually starting to come back. So it looks like two thirds of the respondents said that, you know, we're not coming back yet. I'm not sure, if that's a surprise to any of the panelists on our call but maybe if we could just go around the panel and maybe we go back to Colleen and then and then we'll let Christy add a comment around as we start to get through to recovery. But we keep seeming to have a little bit more headwinds and roadblocks coming in along our way, like the social unrest that's unfolding. How do you get on offense when you really don't know what the other side is doing or calling? How do you get prepared for that other side of momentum when we are where we are? Can we just maybe comment on that?

Colleen Johnston: I think it is about model intact and doing things that are right for your customers and your clients. I'll give an example from the TD analogy that I used. One of the things that's very logical for a bank to do during a financial crisis is to start to cut credit lines to clients and say, well, that's a very rational thing to do because the economy is going to get bad. And TD had a history going back several decades where that was the first thing they would do. There was a lot of risk aversion and they would cut back. And when we were in the financial crisis, again, the decision was made. No, this is not the time to cut our lines to the clients. We're actually going to look to expand our business now. And there's going to be lots of good opportunities out there. And that was a time when TD gained a tremendous amount of commercial market share because your clients have a long memory, "I don't need an umbrella on a clear day, but, you know, hey, it's raining now. Help me out." And it was a huge opportunity, I think, for any business looking at what those opportunities are to really just be very principled and focus on your customers and clients will always serve you well in the long term.

Les Gombik: That's great, thank you. Geeta or Christy, anything else to add? And by the way, thank you to the banks for not shutting us down.

Christy Clark: Well, I think that there are some key things that governments need to be doing that we should be learning from this. One of the reasons that Canada has done a decent job of flattening this curve is that governments have been collaborating with business in ways that they haven't. I mean, it hasn't been fabulous but it hasn't been bad. So that's one learning, government needs to come out of this, if we want to build a new strong economy, understanding that in the new environment, governments should be working shoulder to shoulder with private sector proponents, in particular for big projects, but for small business more broadly to try and grow the economic

pie. I think that's one thing we should have learned coming out of this. I think, another, it's an opportunity to build a real data driven economy. We've seen all the gaps in data that have really been a huge problem in helping us manage this crisis. So I think that's another thing. And I think that government should be thinking about investing in trade agreements with Southeast Asia and India in particular, as we diversify our trade partners for investment around the world and opportunities for Canadians. And sort of a random thing but I do think now, given the importance of residential and construction to our national economy, governments should be thinking about how do we change zoning regulations. We're in the midst of this crisis. Crisis does offer us an opportunity to do things differently. Government has started down that road. It would be such a shame if government went back to being really slow, really ponderous, really interventionist and non-collaborative as opposed to all those other things, which is really where it should be.

Les Gombik: Thanks, Christy. Now, everybody on the call, you can only see the speaker, you can't necessarily see the other panelists as there as the speakers are speaking. I saw Geeta, you were smiling and nodding a whole bunch with some of the things that Christy was just saying. Over to you, Geeta.

Geeta Sankappanavar: Yeah, I think what Christy just said is so spot on and I'll get some facts. I just pulled up. There were three recessions before the great financial crisis - recession in the 1980's, the 1990's and then the 2000's. And there was research done that came out of Harvard Business School on 4,700 public companies that came through all three of these recessions. 17% of the companies did not survive the recession. 80% of the survivors had not regained pre-crisis growth rates three years later and 40% of the survivors had not regained their pre-crisis sales and profit levels three years later. So what did that last 9% that actually came out to Colleen's point, like TD, better, do? They leveraged a crisis to come out ahead. And I think one of the biggest pieces of it is mindset of a leader. It's my thinking, that up until crisis scenario, you step back, you look to help your team, and strategy comes from the system. There are people who are out there that you have to support. In a time of crisis, it feels like you are sitting in the crow's nest of a boat. Everybody is rowing their boat below you. They're still going in the same direction. Yeah, they see a little bit of the weather changing, but you can see that rogue wave because of your access to people and networks and conversations and your natural inclination as a board member or as a CEO to look at market forces and the impact of them on the world, whether you can control them in terms of your reaction or whether you cannot to Christy's point in terms of the government. You just have to accept it and navigate around it. And so you see those rogue waves coming at you and you have to act. And one of the biggest things about doing that is mindset. It is about reorienting and almost taking back that command and control, which Les you know, I am the last command and control person out there. I truly believe strategy comes from the system, but it is almost taking back that command and control because as a leader, as a business leader or an organizational leader of a not for profit, your number one job is support your team. OK. You know how to do that. But your number two job is capital allocation. And if you get capital allocation right, you will get everything else right as you go forward. If you think about the 9% of companies that were able to thrive like TD coming out of a crisis, what they got right is they were able to look at this as an opportunity to reimagine and reinvent. And if you if you don't take that opportunity, then you become one of the other 81% of companies that never regains pre-crisis levels.

Les Gombik: Love it. Thanks, Geeta, maybe if you could send me that research study from Harvard I'll forward it on to everybody after the call. That reimagine and reinvent is something that clearly Shopify has made that bold announcement. We're not going to get into too much Q&A around that because we don't have time. But there were a number of questions. Maybe if we could post the results around the working from home poll that we ran. And we'll let everybody take a quick look at that.

In our organization, clearly, as we've seen, they'd prefer to work from home more than the office as well as equally and the rest is balanced throughout. Maybe Colleen with you being sort of right in the middle of the conversations, can you comment whether is this surprising to you? But as you've probably seen from a lot of the Q&A in the call, you know, this doesn't always work for everybody. Like you and I talked about the other day, this works right now because we've already built the networks and the relationships with people. But what about when you are bringing on new people? How can this truly work? Or is this really a digital company or tech company specific type of opportunity that Shopify sees itself uniquely positioned for?

Colleen Johnston: There's so many facets to this topic. The fact is the work from home element is probably at its worst right now because it came to us suddenly. And there are many people who have kids running around who have lots of issues that they need to sort out. And it isn't as conducive to working from home. That all is going to have to change, obviously, and that will get sorted out over time as we get into our new world. The social element of work is huge. I think there's issues around, hey, if you already work at a company and everyone knows you and trusts you and likes you, that's a lot different than if you're starting new at an organization. So I think all of those things and a Shopify thinks about the redesign of their physical premises and how they've run the organization. Those are all things to have to be considered. But I would put out there, and I'm sure many people on the call, including myself, have been involved in hiring processes in the last three months that have been done entirely, virtually, including I know of a case of a CEO recruitment for a major organization in the United States where that's been the case. I think part of it was do you pause and not go on with recruiting but people are joining boards. They are joining organizations completely in a virtual way. I think it's all about thinking about that future. How you perfect the technology, your protocols, your way of working?

Les Gombik: That's great. Thank you, Colleen. As executive recruiters, I can tell you I'm really happy to see that some of these CEO recruitments are still taking place. That's great news for our sector, too. I can't believe we are actually out of time already. But I'm going to ask for 30 seconds or less from each panelist. Just a question. You all sit on a diversity of boards and you all see how some are working, maybe a little bit better than others in this tough environment. Can you maybe share what is it that you see from the best boards that you're working on that are making you most effective? And I know I'm throwing this out at the last minute, but what do you have a nugget that you can share as to the most effective board you're working on that is doing something special or interesting that we can all take back to our organizations?

Christy Clark: Well, I would say it's the recognition, back to Churchill, "when you are going through hell, the only way to get out is to keep walking." And the boards that I'm on that are working and where things aren't so great, some of them the boards are in the right business. But you just got to keep walking because if you don't keep walking, you will never find your way out. And those are the ones, that are pure and with hard-headed determination to just survive.

Les Gombik: Thanks, Christy.

Geeta Sankappanavar: I'll follow Christy there if I can. Just a quick anecdote. There is a great, great anecdote you may have heard of from World War II, where there was a group of soldiers that were camped in the mountains. And to Christie's point, they just keep walking. They had sent out a patrol out to go scout the local valleys and some hills and set up with a day pack. The three soldiers went out into the mountains, up that valley, down that mountain, up that valley, and then come back by end of day. They hit a massive snowstorm and they got lost and they hunkered down in the valley and just didn't know what to do. After about 24 hours, they pooled their resources. They didn't have food or anything. They unpacked their backpacks. They were looking for what they had and they found a map. And so they said, "oh, well, we can get out." And so they started walking. They got back to the site and Lieutenant who had sent them out said, "How did you get back? We thought you were dead." And the soldier said, "no, no, we had a map. We found a map. And we made our way back." And the lieutenant looks at the map and says, "You idiots. This is a map of the Pyrenees Mountains and we are in the Alps." And so, to Christie's point, you just have to start going.

And I think I'll give you now the answer to your actual question, which is the nugget on positive board or negative performing boards. The worst performing board I'm sitting on has just completely not acknowledged the change in the market situation. And so I am just like, "the world has changed, the world has changed, the world has changed." And they want to keep their heads down and keep on moving in the same way that they want to do and just change capital structure. The best performing board I sit on, which I would say is the University of Calgary, is they just have absolutely come together to support a phenomenal executive leadership team and to step in and weaponize ourselves in different groups to help start thinking about how to create and support our executive leadership team in a comprehensive, reimagination of our business underneath the sustainable business model while protecting our community.

Les Gombik: That's great. Colleen, last word from you.

Colleen Johnston: I mean, my advice to everybody, diversity is incredibly important. But think big as boards. Think about the skills experience, all types of experiences, lived experience, your business experience. When people approach me and say, "we'd like to talk to you about our board." And I said, "well, why me?" And they say, "well, we really need a woman on our board." You know, it's a great time for women on boards, but that's really not a good enough reason, to be honest. I would hope for any of the very, very qualified women across this country that it's because you have a ton to offer. You have a ton of experience. You can work well in a board and think big about what you really need to make your company more successful. That would be my encouragement to everyone.

Les Gombik: Fantastic comments to end our most powerful women call. To the three of you, thank you so much. I've received numerous e-mails saying by far this is the best call yet. Congratulations. I think this is a tremendous learning for everybody on the call. Obviously, we're up and we're over time. So I'm going to close real quickly just by saying thank you to everybody for joining every week. We keep trying to add value and hopefully you got some of that today. Next week, we have one of the board members that Colleen mentioned that sits on the board with her at Unity Health. We have Nora Aufreiter, who, in addition to Unity Health, sits on Cadillac Fairview, as well as the large grocery retailer, Kroger. We have Kevin Frank, CEO of the global paper fabrics manufacturer AstenJohnson and they've completely pivoted their business. And kind of an interesting one, we have the commissioner of the Canadian Football League. Who's going to talk about professional sports and large public events and how we're going to get back to that. So thank you, everybody. Thank you to our panelists. Go out there, be safe, be bold and keep walking. Thanks, everybody.



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