



Speaking notes for

Phyllis Clark

Chair

Royal Canadian Mint

Board of Directors

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Good afternoon to all our listeners.

It is my pleasure to address you as Chair of the Royal Canadian Mint's Board of Directors, a role that I have proudly fulfilled for six years and that I look forward to continuing as my term was renewed last year.

The Government of Canada also reappointed President and CEO Marie Lemay for a five-year term in February. The Board of Directors looks forward to her ongoing leadership, guiding the Mint as a model of innovation, profitability and sustainability for the global minting industry, while delivering good value to Canada and Canadians.

Throughout 2023, the Royal Canadian Mint's Board of Directors collaborated with the Mint's leadership team to pursue its long-term strategy. I want to acknowledge Marie and her executive colleagues for aligning with the Board on the future direction of the Mint.

Last year, the Board continued to provide effective insight and strategic guidance on priority issues such as Environment, Social and Governance (ESG), geopolitical risk, precious metal market volatility, and cybersecurity threats. As part of its general oversight role, the Board found that the Mint, once again, proved sensitive to the government's broad policy objectives and priorities, including official languages, and employment equity policies. It also prioritized fiscal restraint, meeting the government's annual spending reduction expectations for all federal departments and agencies. I am pleased to share that the Mint achieved positive results despite challenging market conditions, and paid a \$4 million dividend to the shareholder in the first quarter of 2024.

In 2023, the Office of the Auditor General (OAG) conducted a Special Examination of the Mint, as it routinely does at 10-year intervals. The Board is pleased that the OAG found that the corporation had good corporate management practices, including ensuring the independence and competency of its board of directors of its members, and sound strategic planning and corporate performance accountability.

The OAG did highlight areas where the Mint would benefit from improving its practices, which the Mint had already taken steps to address by the time the Special Examination's findings were published.

The Board was pleased to welcome new directors to its ranks in 2023, as Evan Price was appointed on April 21, while Cindy Chao and Kevin Darling received their appointments on October 6, at which time Pina Melchionna and Barry Rivelis were also reappointed to three-year terms. We are thankful for the contributions of Deborah Trudeau, who left in June after nearly six years of service. With all 11 directorships representing different regions across Canada, the Board will balance renewal and continuity in its work.

While being sensitive to the Crown's broad policy objectives and the corporation's commercial objectives, the Board and the Mint's leadership team conducted a strategy review of its long-term strategy, current market conditions and emerging trends. I commend my fellow directors for providing valuable insight in setting a course for the future. This strategy refresh was reflected in the 2024-2028 Corporate Plan.

The Mint's major business and IT system, the Enterprise Resource Planning implementation is key to realizing the Mint's long-term strategy. The Board has focused on this critical investment is lending its support to the far-reaching modernization of the Mint's systems.

During its most recent strategic meeting, the Board concentrated on overseeing this digital transformation, further validating its alignment with administration.

Strong interest in overseeing progress on the Mint's ESG Commitment and Action Plan continued, with regular reporting to the Board's Governance and Nominating Committee. The Board recognizes that the Mint is committed to operating more responsibly in every aspect of its operations and that it is continually improving its environmental, social and governance performance.

I wish to take this opportunity to note the publication of the Mint's first ESG Impact Report this past month. It details the Mint's activities to create stronger ESG practices and to measure the advancement on priorities in this area.

It also includes a commitment to meeting its obligations regarding the Taskforce for Climate Related Financial Disclosures (TCFD) and the Board is pleased that the Mint has already begun reporting progress on implementing TCFD recommendations ahead of the 2024 reporting deadline.

We are also encouraged by the level of progress on the Mint's decarbonization plan, which is focused on making the circulation business carbon-neutral by 2030.

The Board applauds the Mint's commitment to diversity, equity and inclusion, articulated in its long-term DEI Action Plan, and acknowledges the importance of ongoing community support and employee involvement in local Pride events and fundraising initiatives, as well as consultations and collaboration with Indigenous communities.

I think it is important for me to comment on the universal accessibility of coins as a social aspect of the Mint's ESG commitment. The Mint has both a legislated duty and social responsibility to ensure all people across the country remain included in day-to-day trade and commerce by having access to coins when and where they need to use them, even as digital payment options continue to expand. To this end, the Mint's performance has been exemplary, operating one of the most sophisticated coin management systems in the world and working hand in hand with financial institutions and armoured car carriers to ensure an uninterrupted coin supply.

A unique milestone in the history of Canada's circulation coins was reached last year, when the Prime Minister of Canada announced, on May 6, 2023, that the obverse of Canadian coins would bear the effigy of His Majesty King Charles III. My fellow directors and I commend the Mint for having developed longstanding plans to quickly carry out the historic task of developing a new royal effigy.

Following the last strike of a Canadian circulation coin bearing the effigy of the late Queen Elizabeth II, we were pleased to see the effigy of His Majesty King Charles III revealed and circulated before the end of 2023 – a tremendous team effort.

The exceptional turnout at coin exchanges in both Ottawa and Winnipeg to collect some of the first circulation coins minted with the effigy of His Majesty was a compelling reminder of the power of coins to engage people all across Canada.

I witnessed this kind of engagement when I joined Mint President and CEO Marie Lemay in launching the \$1 circulation coin commemorating the great Elsie MacGill -the "Queen of the Hurricanes"- at Calgary's Hangar Flight Museum. The Mint effectively told her story as a role model for women in engineering and as a leader of women's rights in Canada.

I also commend the Mint for issuing three other diverse and inclusive coins: the stunning and inspirational \$2 circulation coin earlier in the year celebrating National Indigenous Peoples Day; a 2023 Proof Silver Dollar honouring pioneering journalist Kathleen “Kit” Coleman and a \$20 fine silver coin commemorating the No. 2 Construction Battalion celebrating Black history in Canada.

In summary, the Mint is performing admirably on many fronts and the Board is aligned on its efforts to meet the needs of stakeholders, while continuing to operate profitably and responsibly. With a shared vision of a sustainable future, the Board of Directors will continue to guide and oversee the Royal Canadian Mint in the same spirit of collaboration and dialogue that have created conditions for today’s success and tomorrow’s financial, environmental and social benefits.

Thank you. Merci.