

BOARD MANUAL

SUBJECT: Governance Committee Charter		NUMBER: 2-A-16
SECTION: Structure, Roles and Responsibilities	APPROVED BY: Board of Directors	
DATE: September 28, 2011	REVISED/REVIEWED: November 28, 2012, June 25, 2014, January 28, 2015, May 24, 2017, November 27, 2019	

1. Application

This Charter shall apply to the Governance Committee (the “**Committee**”) of the Cambridge Memorial Hospital (the “**Corporation**”). All capitalized terms not defined herein have the meaning set out in the Corporation’s By-Laws.

2. Composition

(a) The Committee shall be composed of the following voting members:

- (i) up to four elected (4) Directors one of whom shall sit as Chair of the Committee; and
- (ii) up to three (3) members from the broader community who are resident, employed or carrying on business in the Region of Waterloo, appointed by the Board upon the recommendation of the Nominating Committee.

(b) Non-voting resources to the Committee will include:

- (i) the President and Chief Executive Officer and;
- (ii) other staff resources, as directed by the Committee.

3. Meetings

The Committee shall:

- a. meet at least four (4) times annually;
- b. conduct all or part of any meeting in the absence of management, and it is the Committee’s policy to include such a session on the agenda of each regularly scheduled Committee meeting.

- c. invite to its meetings any Director, member of management or such other persons as it deems appropriate in order to carry out its duties and responsibilities.
- d. exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

4. **Specific Duties and Responsibilities**

(a) Board and Committee Structure and Composition

The Committee shall be responsible for making recommendations to the Board with respect to the appropriate structure and composition of the Board and its committees to fulfill their functions and comply with all legal requirements and all relevant Board policies. The Committee shall:

- (i) recommend to the Board criteria for the composition of the Board and its committees, including total size, independence of Directors and the number and role of the ex-officio voting and non-voting Directors on the Board and its committees;
- (ii) recommend to the Board criteria for the tenure of Directors;
- (iii) recommend to the Board each year the allocation of Board members and Non-Director committee members to each of the applicable Board committees, and where a vacancy occurs at any time in the membership of any committee, recommend to the Board a member to fill such vacancy;
- (iv) recommend the appointment of committee chairs to the Board; and
- (v) recommend the appointment of non-director committee members to Board committees.

(b) Nominations for Election to the Board and Appointment to other Boards

The Committee shall:

- (i) undertake the nominating process;
- (ii) provide recommendations to the Board as to the appointment of its Officers.
- (iii) recommend to the Board the appointment of the Corporation's Directors to the Cambridge Memorial Hospital Foundation and the Cambridge Memorial Hospital Volunteer Association.

(c) Resignation and Removal of Directors

The Committee shall:

- (i) undertake the review and when warranted, recommend the removal of a Director, Officer and non-director committee member as outlined in the relevant Board policy.

(d) Director and Committee Orientation

The Committee shall:

- (i) be responsible for ensuring new Directors and non-director committee members receive an orientation to their role as a Board or committee member as outlined in the relevant Board policy.

(e) Evaluations

The Committee shall:

- (i) establish, revise as necessary, and facilitate an effective process for the ongoing evaluation of the performance and effectiveness of the:
 - Board
 - committees
 - Board Chair
 - committee Chairs
 - individual Directors
 - non-director committee members
- (ii) report to the Board the results of the annual evaluation processes and, based on those results, recommend any action plans that the Committee considers appropriate; and
- (iii) conduct an annual evaluation of the Committee in which the Committee (and/or its individual members) reviews the Committee's performance for the preceding year for the purpose, among other things, of assessing whether it fulfilled the purposes and responsibilities stated in this Charter.

(f) Corporate Governance

The Committee shall:

- (i) develop and, where appropriate, recommend to the Board for approval corporate governance policies aimed at fostering high standards of corporate governance, including ongoing review and assessment of the Corporation's governing and constituting documentation, including letters patent, supplementary letters patent, by-laws and Board policies and procedures;
- (ii) keep informed of the latest regulatory requirements, trends and guidance in corporate governance and update the Board on corporate governance issues as necessary; and

- (iii) review every 3 years and update when required the indemnity agreement to be signed by all directors and committee members, and confirming that the Directors and Officers liability insurance has been reviewed by the Resource Committee.

(g) Board Functioning

The Committee shall:

- (i) be responsible for considering and assessing the functioning of the Board;
- (ii) recommend issues to be discussed at Board meetings and committee meetings;
- (iii) be responsible for reviewing the Charters for any committee in conjunction with the Board or the relevant committee or task force that the Board may wish to establish from time to time; and
- (iv) monitor the quality of the relationship between management and the Board and recommend improvements.

(h) Board Independence

The Committee shall be responsible to assess and facilitate the independent functioning of the Board as set out in Board policy.

(i) Conduct and Ethical Behaviour

The Committee shall:

- (i) review and, where appropriate, recommend for approval policies in respect of ethical, personal and business conduct at the Corporation, including the Corporation's conduct and ethics policies. The Committee shall also monitor any actual, perceived or potential conflicts of interest brought to its attention; and
- (ii) oversee and monitor compliance with policies in respect of ethical, personal and business conduct including, where appropriate, any waiver from such policies.

(j) Oversight of Risk

The Committee has the accountability, on behalf of the Board, to ensure that management has an adequate policy in place for integrated risk management. The Committee shall review the integrated risk management policy on a regular basis, but not less than every three (3) years.

In addition, the Committee shall:

- (i) oversee risk management in the following assigned category -

regulatory and;

- (ii) oversee the progress and completion of plans to mitigate risks identified through the integrated risk management priority setting process and report annually to the Audit Committee.

5. **General**

The Committee shall:

- (a) report to the Board on material matters arising at Committee meetings following each meeting of the Committee;
- (b) maintain minutes or other records of meetings and activities of the Committee;
- (c) have the authority upon approval by the Board to engage independent legal counsel, consultants or other advisors with respect to fulfilling its responsibilities and the Hospital shall provide appropriate funding;
- (d) conduct an annual evaluation of the Committee in which the Committee (and/or its individual members) reviews the Committee's performance for the preceding year for the purpose, among other things, of assessing whether it fulfilled the purposes and responsibilities stated in this Charter;
- (e) review and assess the adequacy of this Charter at least every 3 years and submit any proposed amendments to this Charter to the Board for approval;
- (f) provide an orientation for new Committee members; and
- (g) perform such other functions and tasks as may be assigned from time to time by the Board.