

TERMS OF REFERENCE GOVERNANCE COMMITTEE

(Approved January 28, 2015; Amended July 29, 2016; Amended September 28, 2017, December 12, 2018)

A. PURPOSE

The Governance Committee (the **Committee**) is a standing committee established by the Board (the **Board**) of Alberta Health Services (**AHS**). The purpose of the Committee is to enhance the effectiveness of corporate governance of AHS and ensure compliance with relevant governance legislation and practices.

B. SCOPE

1. Committee Approval and Recommendations

The Committee may consider and provide feedback relating to matters forwarded by management or the Board, or on its own initiative, and:

- (a) may approve matters which are administrative and non-substantive in nature such as those customarily made to: confirm the accuracy and completeness of the Committee's own minutes;; conduct all or a portion of the Committee meeting *in camera*; and approve the Committee's meeting agenda and changes to the agenda;
- (b) may refer matters to another committee of the Board for further consideration; and
- (c) may make recommendations for approval to the Board on matters of a substantive nature.

2. Governance Integrity

The Governance Committee shall:

- (a) monitor and advise the Board on developments and emerging best practices in governance, particularly public sector governance;
- (b) review at least annually, the Terms of Reference for the Board, the Chair of the Board, the Members, and all Committees of the Board and, if appropriate, recommend amendments to the Board for approval;

- (c) review periodically and, if appropriate, recommend amendments to the Board for approval to:
 - (i) the Code of Conduct;
 - (ii) the Safe Disclosure/Whistleblower Policy;
 - (iii) the Conflict of Interest Bylaw; and
 - (iv) any associated policies;
- (d) review periodically and, if appropriate, recommend to the Board for approval corporate governance initiatives as may be necessary or desirable to contribute to the operational success of the Board and AHS, and to foster a collaborative and productive relationship between the Board, the President & CEO and members of the Executive Leadership Team, Alberta Health, and the Minister;
- (e) periodically review the Mandate and Roles Document entered into between AHS and Alberta Health, and relevant governance legislation and, if appropriate, recommend for approval to the Board amendments that would be proposed to the Minister;
- (f) review periodically, the bylaws required by the relevant legislation to be in place, including without limitation general, borrowing, investment, health advisory council (community health council), and foundation, bylaws and, if appropriate, recommend amendments to the Board for approval;
- (g) review periodically, any other applicable bylaws, including without limitation medical staff, and midwifery, bylaws and, if appropriate, recommend amendments to the Board for approval;
- (h) receive annual corporate policy report updates;
- (i) review quarterly reports from the Ethics and Compliance Officer, who reports functionally to the Board, through the Committee Chair, and administratively to the President and Chief Executive Officer (the **CEO**); and
- (j) review as required, significant governance and strategic documentation, roles and responsibilities and the corporate governance structure of directly or indirectly wholly-owned subsidiaries, and if appropriate, recommend amendments to the Board or to the respective subsidiary board for approval.

3. Risk Management and Compliance

The Committee shall oversee the management of risks that relate to:

- (a) corporate governance;

- (b) compliance with relevant governance legislation; and
- (c) AHS' codes of conduct, bylaws and policies.

4. Governance Responsibilities

The Committee shall:

- (a) evaluate, on an annual basis, its performance and review its Terms of Reference and shall, as it considers appropriate, recommend amendments to the Board for approval;
- (b) ensure adequate resources and support are in place to enable the Committee to fulfill its duties effectively and efficiently; and
- (c) fulfill such other duties as may be assigned to the Committee by the Board.

5. Member Selection, Development, Evaluation, and Other Matters

The Governance Committee shall:

- (a) make recommendations to the Board regarding the competencies and skills required of future Members to fulfill their roles and responsibilities;
- (b) identify suitable candidates for appointment to the Board and external candidates, if appropriate, for appointment to committees of the Board;
- (c) review and make recommendations to the Board regarding an annual orientation and continuing education program for the Members to promote an understanding of their role in meeting the continuous and changing demands on the health care system;
- (d) annually assist the Chair of the Board to conduct evaluations of Board performance; and
- (e) provide recommendations to the Board relating to the Board and committee structure and external members of the committees.

C. MEMBERSHIP

1. Members

The Committee comprises:

- (a) a minimum of two members of the Board (**Members**) appointed to the Committee by the Chair of the Board, each of whom shall have voting rights;
- (b) any other individuals who are not Members, appointed by the Board, whose voting status shall be determined at the time of appointment;
- (c) the Chair of the Board shall be an *ex officio* member of the Committee and shall have full voting rights; and
- (d) the CEO shall be a non-voting *ex officio* member of the Committee and all other Members not appointed by the Chair of the Board shall be non-voting members of the Committee. The CEO may appoint another individual to attend a Committee meeting as an *ex officio* non-voting Committee member in his or her absence.

2. Term of Office

The terms of individuals appointed under C.1.(b) shall be determined at the time of appointment.

3. Committee Chair and Vice Chair

The Chair of the Board shall appoint a Committee chair and a vice chair from among the voting members of the Committee. In the absence of the Committee chair, the vice chair shall chair the meeting.

4. Vacancies

The Chair of the Board may appoint a successor to serve for the balance of a vacated Committee member's term.

5. Advisors

The Committee may request the participation of advisors from time to time, including but not limited to AHS' employees, management, or external consultants, to provide advice or information to the Committee or to its members independently, with respect to any matter before or related to the Committee, at AHS' expense.

D. MEETINGS

1. Confidentiality

The nature and subject of discussions and deliberations on matters before the Committee are confidential until such time as an item is approved by the Board and released publicly.

2. Frequency

The Committee shall meet at least two times each year at the call of the Committee chair, or at the discretion of the Chair of the Board.

3. Quorum

A majority of Committee members entitled to vote shall constitute a quorum. Committee members may participate in person or by any other method that permits them to hear and participate in the meeting.

4. Notice

Notice of the time and place of every meeting of the Committee shall be given electronically, by postal service, or as agreed to by the Committee members, at least seven days in advance of a meeting. In the event the Committee chair or Chair of the Board determines an urgent requirement to meet, notice of the time and place of the meeting may be given electronically or by telephone at least 24 hours in advance. Notice may be waived by a Committee member in any manner, including by unanimous consent of all Committee members. Attendance of a Committee member at a meeting is a waiver of the notice of the meeting, except where the Committee member attends for the express purpose of objecting to the transaction of any business on the grounds that the Committee member was not given adequate notice of the meeting.

5. Report and Recommendations

Subject to confidentiality requirements, the Committee shall submit an overview report on the business conducted at each meeting, and shall make recommendations, if appropriate, to the Board at its next public meeting.

6. Minutes

The Corporate Secretary or such other person acceptable to the Committee shall act as recording secretary to attend at every Committee meeting to take minutes. Minutes shall be approved by the Committee at its next meeting.

7. *In camera* discussions

The Committee shall meet *in camera* with management in separate sessions to discuss any matters that should be discussed privately with the Committee.

8. Rules of Order

Unless provided otherwise in the AHS Amended General Bylaws or these Terms of Reference, Committee business and conduct of the Committee members shall follow Robert's Rules of Order as may be modified by the Committee chair.