

ONTARIO MEDICAL ASSOCIATION (“OMA”)

GOVERNANCE & NOMINATING COMMITTEE (“GNC”) CHARTER

1. Composition

- a) The Governance & Nominating Committee (“GNC”) is a Board Committee which shall be comprised of eight (8) members of the Board.
- b) The Board Chair, in consultation with the CEO, shall prepare a skills matrix for the entire board based on the selection criteria specified in item “d” below. Members interested in serving on the GNC will submit a letter of interest describing their skills of relevance to this committee. Based on this matrix and the letters received, there shall be an open election to select seven members of the GNC. Nominations will close just prior to the election.
- c) The following skill set is normally looked for in the selection of GNC members:
 - Previous GNC experience;
 - Familiarity with the legal and regulatory requirements of directorships;
 - Previous experience in the recruitment, selection, motivation, evaluation and leadership of directors;
 - General corporate human resource management expertise; and
 - Excellent interpersonal and conflict resolution skills
- d) It is not necessary for any one member of the committee to possess all of the skill set items. However, each skill set item should be present in the GNC’s composition.

2. Operating Principles and procedures

The GNC shall fulfill its responsibilities within the context of the following principles and procedures:

a) Committee Values

The GNC will act in a manner that values the contribution of the staff and management of the OMA. It expects its members to operate in compliance with the OMA’s Code of Conduct and policies and with the laws and regulations governing the OMA.

b) Communications

The GNC Chair and members of the GNC expect to have direct, open and frank communications throughout the year with the CEO, other Committee Chairs and other key GNC advisors as applicable.

c) Annual GNC Work Plan

The GNC, in consultation with the Board Chair and the CEO shall develop an annual Committee Work Plan responsive to the GNC's responsibilities as set out in this Charter.

In addition, the GNC, in consultation with the Board Chair and the CEO shall develop and participate in a process for review of important governance topics that have the potential to impact the OMA's effective operation.

d) Meeting Agenda

GNC meeting agendas shall be the responsibility of the Chair of the Committee in consultation with the Board Chair, Committee members and the CEO.

e) Committee Expectations and Information Needs

The GNC shall communicate its expectations to Management with respect to the nature, timing and extent of its information needs. The Committee expects that all reasonably required and available information (including accepted GNC minutes) relating to each matter to be dealt with by the GNC at its meetings will be received from Management within a reasonable time frame in advance of each Committee meeting (e.g. 5 days).

f) Reliance on Experts

In contributing to the GNC's discharging of its duties under this Charter, each member of the GNC shall be entitled to rely in good faith upon:

- (i) any report or advice of an officer or employee of the OMA, if it is reasonable in the circumstances to rely on the report or advice; or
- (ii) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by them.

h) In Camera Meetings

The members of the Committee shall meet in private session as part of each meeting, (i.e., without Management present).

i) Reporting to the Board

The GNC, through its Chair, shall report after each Committee meeting to the Board at the Board's next regular meeting.

j) Committee Self-Assessment

The GNC shall periodically review, discuss and assess its own performance, role, responsibilities and terms of reference as specified in the Charter.

a) The GNC shall meet at least twice annually, or more frequently as circumstances dictate. Meetings shall be held at the call of the Chair or upon the request of three (3) members of the Committee.

b) A quorum shall be a majority of the members.

c) the Board Secretary of the OMA (or his/her designate) shall act as Secretary of all meetings of the Committee.

d) In the absence of the Chair, the Committee members present shall appoint an Acting Chair; and

e) A copy of the minutes of each meeting of the GNC shall be provided to each member of the Committee and to each director of the OMA in a timely fashion.

3. Terms of Reference

The GNC shall assist the Board in gaining and maintaining reasonable assurance that the Board's composition, structures and practices will enable the Board to discharge its Oversight Duty and the Board's other duties in a highly effective manner. In particular, the GNC shall:

a) ensure that all Directors hold an unrestricted certificate of registration issued by the CPSO and are members of the OMA;

b) ensure that all members of the OMA's Board of Directors, Board Task Forces, and Board Sub-Committees are independent and not holding elected office of any constituency of the OMA (e.g., District/Section MIG Chair or any associated Executive position). For the purposes of this Charter, a member is independent if the member has no relationship with the OMA which, in the view of the Board, could reasonably be expected to interfere with the exercise of the member's independent and objective judgment;

c) verify that the President, the Chair of the Board, and the President-Elect are not members of Management;

d) verify that every member of the OMA's Board of Directors, Board Task Forces and Board Sub-Committees is an independent member of the Association;

- e) determine that the number of Directors constituting the Board facilitates effective decision-making by the Board;
- f) recommend the creation, maintenance or termination of any board committees, board sub-committees, board task forces and advisory CEO committees as the GNC deems necessary or desirable to assist the Board in discharging its Oversight Duty and the Board's other duties;
- g) recommend to the Board written position descriptions for (i) the President, (ii) the Chair of the Board, (iii) the President-Elect, (iv) the immediate Past President, (v) the CEO (iv) the Chairs of Board Committees, Board Task Forces, Board Sub-Committees, and advisory CEO Committees, and (v) an individual Director;
- h) recommend to the Board a written Charter for the Board, each Board Committee¹, Board Task Force², advisory CEO Committee³ and each Sub-Committee⁴ of the Board;
- i) make recommendations to the Board of Directors for the development of a set of governance principles and guidelines specifically applicable to the OMA which will improve the effectiveness of the Board;
- j) identify and make recommendations to the Board regarding the competencies and skills which the Board, as a whole, should possess (i) to constructively engage with Management in helping to set, monitor and change the strategy of the OMA and (ii) to discharge its responsibilities and duties as specified in the Board Charter;
- k) identify the competencies and skills which each existing Director possesses in relation to their ability to contribute to the strategy of the OMA and the discharge of the Board's responsibilities and duties;
- l) determine whether the Board, as a whole, possesses the competencies and skills required to enable the Board to discharge its responsibilities and duties;
- m) inform the Districts and Council (through the OMA Board) regarding the preferred criteria and skills for the election of Directors to the OMA Board;

¹ A "Board Committee" is a committee created by the Board, consisting entirely of Board members and reporting directly to the Board.

² A "Board Task Force" is a committee created by the Board which reports directly to the Board and whose members do not have to be members of the Board.

³ An "advisory CEO Committee" is a Board approved committee comprised of OMA members which reports to the Board through the CEO, on selected topics of interest to the Board. **No member of the Board shall serve as a member of an advisory CEO Committee, except the President.**

⁴ A "Board Sub-Committee" is a committee created by the Board which reports directly to a Board Committee and whose Chair must be a member of the Board. Other members of a Board Sub-Committee do not have to be members of the Board.

- n) identify and make recommendations to the Board regarding the selection criteria for the election of individuals both to Board Task Forces and advisory CEO Committees and to Board Sub-Committees;
- o) develop processes to identify potential candidates for the elected (and in the case of vacancies, appointed) positions of the Association;
- p) establish and maintain a process to enable all nominees and appointees for the positions of Director, Board Task Force member, advisory CEO Committee member or Board Sub-Committee member to indicate their eligibility and commitment;
- q) issue a call through the Nominations Sub-Committee (NSC) to all eligible members for nominations for the elected positions in the Association;
- r) while bearing in mind the desire for a Board and Committees that are balanced as to gender, expertise and diversity, the GNC will identify and encourage those available individuals who are best suited for making a contribution to the strategy and future direction of the OMA to stand for the elected (and in the case of vacancies, appointed) positions of the Association;
- s) declare and recommend those individuals deemed to be *qualified* (i) as nominees for the elected positions of the Association, and (ii) for appointment to fill casual vacancies in those positions;
- t) establish a process to ensure that all nominees and appointees for the position of Director or Board Task Force member, advisory CEO Committee member or Board Sub-Committee member understand and agree to commit to the responsibilities of the office;
- u) use reasonable efforts to cause each new Director on an annual basis to engage in an orientation process directed to enabling the new Director to understand fully (i) the role of the Board and all Board committees, (ii) the contribution that every Director is expected to make to governing the OMA, including the commitment of time and energy expected of every Director, and (iii) the nature and operation of the OMA's business and affairs;
- v) use reasonable efforts to provide to all Directors continuing education opportunities to re-new, remind, maintain and enhance Directors' skills and abilities as *governors* (and not as managers) of the OMA and to further Directors' knowledge and understanding of the nature and operation of the OMA's business and affairs;
- w) recommend to the Board, (i) those Directors who are to serve (in groups of 8) on each of the Board's three "Board Committees" (i.e. FAC, GNC and HRCC) and (ii) those Directors to serve as Chairs of the FAC, the HRCC, and the Pension Committee and (iii) those Task Force members to serve as Chair, if any, of a

Board Task Force;

- x) recommend to the Board those individuals who are qualified to serve on Board Task Forces and Sub-Committees of the Board;
- y) upon the advice of the CEO, recommend to the Board those individuals to serve on advisory CEO Committees;
- z) upon the request of the CEO, provide advice as to those individuals to serve on advisory CEO Committees;
- aa) recommend to the Board those Directors who are qualified to serve as representatives on committees of other organizations;
- bb) issue a call for nominations to the position of President-Elect and Board Chair of the OMA;
- cc) recommend to the Council, the Director(s) or Delegate(s) who should be considered for election to the position of President-Elect;
- dd) recommend to the Board, the Director(s) who should be considered for election to the position of Board Chair;
- ee) in consultation with the CEO, develop and participate in a process for review of important governance topics that have the potential to impact the OMA's effective operation.
- ff) in conjunction with the Human Resources and Compensation Committee, develop and maintain a written position description for the CEO;
- gg) develop, recommend to the Board, and implement processes for regularly assessing (i) the effectiveness of the Board, taking into account the Board's Charter, (ii) the effectiveness of the President, the President-Elect, the Past President, the Board Chair and the Committee Chairs taking into account their position descriptions (iii) the effectiveness and contribution of each Board Committee, Board Task Force, and Board Sub-Committee, taking into account each committee's Charter, and (iv) the effectiveness and contribution of each individual Director, taking into account the position description for an individual Director as well as the competencies and skills which such Director is expected to bring to the Board;
- hh) recommend to the Board whether the Director who is President-Elect should not succeed to the position of President and, if not, nominate another Director to be President;

- ii) review and approve the appropriateness of activities provided in the work plans and associated budgets;
- jj) review the 'work plans' of the Board and all board committees, board sub-committees and board task forces and consult regularly with the OMA staff who provide support activities to the Board and its committees;
- kk) review and make recommendations to the Board with respect to the Articles and By-Laws of the OMA;
- ll) as a part, or by means, of regularly scheduled meetings of the GNC, hold separate meetings of the Directors at which no member of Management or ex officio attendees are present;
- mm) perform such other functions as may from time to time be assigned to the GNC by the Board of Directors
- nn) work with the NSC and each Board Committee to develop a succession plan for each committee; and
- oo) consider delegating to a sub-Committee, subject to Board approval, any of the items listed in section 4a to 4nn and recommend to the Board those members eligible to serve on them.

5. Governance Culture

The GNC will use its best efforts to help the OMA Board establish and sustain amongst all Directors a culture which incorporates the following values:

- a) acceptance of the Board's accountability for the OMA's performance;
- b) the conviction that Directors owe each other their best efforts in carrying out their duties and exercising their authority;
- c) upholding the trust of the Members and Council with due regard to the interests of all stakeholders;
- d) accepting the responsibility for meeting the spirit as well as the letter of applicable laws, statutes and regulations;
- e) engaging with Management in in a respectful and constructive manner;
- f) after thorough preparation, contributing objective oversight on critical issues of strategy, business development, major capital expenditures and the choice and motivation of Senior Management;

- g) recognizing the importance of solidarity (“the board speaks only with one voice”) when decisions are taken;
- h) committing to exercising the Board’s fiduciary duties only in the interests of the OMA and free of personal or regional objectives;
- i) using sound, rational and objective business judgment in decision making after exercising appropriate due diligence;
- j) openly engaging in constructive dialogue to diligently expose moral as well as financial risks, liabilities and opportunities;
- k) holding each other responsible for fostering a board environment that:
 - i) invites and respects differing points of view
 - ii) deals rigorously with alternatives, and
 - iii) demands compelling rationales for choices;
- l) practicing personally, and within the Board, the accountabilities that are demanded of executives and employees;
- m) insisting on the highest level of honesty and integrity in all actions of the Board, Management and employees of OMA; and
- n) encouraging and fostering conditions which build and enhance trust and respect amongst all of the Directors.

6. Limitations on Committee's Duties

In contributing to the Governance and Nominating Committee's discharging of its duties under this Charter, each member of the GNC shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the GNC a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the GNC's duties is to gain reasonable assurance (but not to ensure) that the governance and nominating policies, procedures and practices of the OMA (i) are being conducted effectively and in compliance with all applicable laws, statutes and regulations; (ii) are reasonable and appropriate in the circumstances given the nature of the organization and its strategy; and (iii) are sufficiently and accurately reported upon to the Board.

Approved October 2017 by OMA Board
Updated April 2019 by Governance and Nominating Committee
Amended and approved April 22, 2019 by OMA Board