

Pembroke Regional Hospital Inc.
(the “Corporation”)
Board of Directors (“Board”) Code of Conduct

PURPOSE:

The Corporation is committed to ensuring that in all aspects of its affairs it maintains the highest standards of public trust and integrity.

APPLICATION:

This code of conduct applies to all directors, including *ex-officio* directors, and non-director Board committee members. All directors and non-director Board committee members will complete a declaration of commitment to, and compliance with, this code of conduct.

POLICY:

Fiduciary Duty and Duty of Care

As a fiduciary of the Corporation, a director acts honestly and in good faith with a view to the best interests of the Corporation, and exercises the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. In so doing, a director supports the Corporation in fulfilling its mission and discharging its responsibilities. All directors, including *ex-officio* directors, are held to the same duties and standard of care.

A director does not represent the specific interests of any constituency or group. A director acts and makes decisions that are in the best interests of the Corporation as a whole.

Exercise of Authority

A director carries out the powers of office only when acting during a duly constituted meeting of the Board or one of its committees. A director respects the responsibilities delegated by the Board to the chief executive officer avoiding interference with their duties but insisting upon accountability to the Board and reporting mechanisms for assessing organizational performance.

A director adheres to the mission, vision, and values of the Corporation, applicable law, the by-laws, and Board-approved policies.

Conflict of Interest

Every director must comply with the conflict of interest provisions in the *Not-for-Profit Corporations Act, 2010* (the “Act”), the by-laws, and Board-approved policies.

Confidentiality

Every director must respect the confidentiality of the information of the Corporation, including matters brought before the Board and all committees, keeping in mind that unauthorized disclosure or use of information could adversely affect the interests of the Corporation. Directors shall not disclose or use for their own purpose confidential information concerning the activities and affairs of the Corporation unless otherwise authorized by the Board.

It is recognized that the role of a director may include representing the Corporation in the community. However, such representations must be respectful of and consistent with the director’s duty of confidentiality.

Board Solidarity and Director Dissent

A director supports the decisions of the Board in discussions with persons beyond the Board, even if the director holds another view or voiced another view during a Board discussion or was absent from the Board or Board committee meeting. In accordance with the Act, a director who is present at a Board or Board committee meeting is deemed to have consented to any resolution passed or action taken at the meeting, unless:

- (a) the director’s dissent is entered in the meeting minutes;
- (b) the director requests that their dissent be entered in the meeting minutes;
- (c) the director gives their dissent to the secretary of the meeting before the meeting is terminated; or
- (d) the director submits their written dissent to the secretary immediately after the meeting is terminated.

A director who votes for or consents to a resolution is not entitled to dissent.¹

A director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented to the resolution or action unless within seven days after becoming aware of the resolution, the director:

- (a) causes their written dissent to be placed with the meeting minutes; or
- (b) submits their written dissent to the secretary.²

¹ ONCA, s. 45(1)-(2).

² ONCA, s. 45(3).

Board Spokesperson: The Board chair shall be the spokesperson for the Board.³ The chief executive officer or the chief of staff, or their designate, may speak on behalf of the Corporation. News media responses and public discussion of the Corporation's activities and affairs should only be made through the Board's authorized spokespersons. Any director who is questioned by news reporters or other media representatives should refer such individuals to the appropriate representatives of the Corporation.

Respectful Conduct: It is recognized that directors bring to the Board diverse background, skills, and experience. Directors will not always agree with one another on all issues. All debates shall take place in an atmosphere of mutual respect and courtesy. The authority of the chair must be respected by all directors.

Time and Commitment: A director is expected to commit the necessary time required to fulfill Board and committee responsibilities, including preparation for and attendance at Board meetings and assigned committee meetings, as well as attendance at the Corporation's public events when possible.

Participation: A director expects to receive relevant information in advance of meetings, reviews pre-circulated material, comes prepared to Board and committee meetings, asks informed questions and makes a constructive contribution to discussions.

Education: A director seeks opportunities to be educated and informed about the Corporation and the key issues related to the Corporation and the healthcare system through participation in Board orientation and ongoing Board education.

Evaluation: A director participates in the evaluation of the performance of the Board as a whole and of their own performance as a director.

Director Conduct and Process for Resolution of Complaints: All directors have a fiduciary duty to act in the best interests of the Corporation and comply with the policies approved by the Board. In the event a complaint is received regarding a director's conduct, the following steps will be taken to ensure fairness, transparency, and accountability:

1. Referral of Complaint

The complaint will be referred to the Board chair, or, if the complaint involves the chair, to the vice chair, with notice provided to the chief executive officer.

³ This policy is drafted in accordance with the Hospital Prototype Corporate By-law (2021), which provides in section 8.4 that the vice chair shall, in the absence, disability, or unwillingness of the chair, perform the duties and exercise the powers of the chair. The Board may also give authority to one or more directors to make statements about matters brought before the Board pursuant to section 10.2 of the Hospital Prototype Corporate By-law (2021).

If the complaint involves both the chair and vice chair, the matter may be referred in accordance with section 2(ii), or it may be brought directly to the Board in accordance with section 4, with notice provided to the chief executive officer in both cases.

2. Initial Resolution Attempt

The chair (or the vice chair as the case may be) may choose to:

- i. attempt to resolve the matter informally; or
- ii. refer the matter to the Executive Committee or a special committee of the Board established by the chair (or the vice chair, or the Board, as the case may be) and will report back to the Board.

3. Escalation if Unresolved

If the chair or vice chair attempts to resolve the matter informally, but the matter cannot be resolved to the satisfaction of the chair (or the vice chair as the case may be), the director raising the complaint, and the director involved, the chair or vice chair will refer the matter to the process outlined in section 2(ii) above.

4. Board Decision

If unresolved, the matter will be brought to the Board for a decision, with a simple majority resolution of the Board being determinative of the matter. If the matter cannot be resolved to the satisfaction of the Board, the director may be asked to resign or may be subject to removal pursuant to the by-laws and the Act.

Obtaining Advice of Counsel

Requests to obtain outside opinions or advice regarding matters before the Board must be made through the chair or in the chair's absence, through the vice-chair.

Amendment: This policy may be amended by the Board.

Approval Date:

Last Review Date: