

## **Terms of Reference**

### **GOVERNANCE COMMITTEE**

#### **Purpose**

The Governance Committee is an advisory committee to the Board of Directors for issues relating to the development of the Board, its conduct, and its performance. In addition the Governance Committee advises the Board on matters related to the Board's Ethics Policy Framework.

#### **Composition and Meetings**

The Governance Committee shall consist of a Chairman and at least three (3) Directors and shall meet at least three times per year.

#### **Committee Responsibilities and Functions**

The **major responsibilities and functions** of the Governance Committee are to:

1. Develop and maintain subject matter expertise in corporate governance.
2. Confirm the adequacy of the Board's framework for fulfilling the governance functions of:
  - a. Compliance Oversight;
  - b. Direction Setting;
  - c. Financial Oversight;
  - d. Human Resource Stewardship;
  - e. Performance Evaluation;
  - f. Risk Management; and
  - g. Stakeholder Relations.
3. Assist in the continuing efficiency and effectiveness of the Board by:
  - a. Advising the Board with respect to best governance practices;
  - b. Monitoring and responding to changes in Legislation;
  - c. Developing a set of skills, experience and diversity selection criteria for Directors necessary to ensure a balanced and effective Board;
  - d. Identifying, assessing, and conducting reference checks for prospective candidates for vacant Board positions;
  - e. Recommending suitable candidates to the Board for appointment or election to the Board;
  - f. Providing orientation, training and mentoring for new Board members;

- g. Recommending a slate of Directors at each Annual Meeting of the Corporation such that the renewal cycle ensures the continuity of the Board;
  - h. Recommending members for each committee, including the Chair; and
  - i. Recommending an annual training and education plan for the Board.
4. Confirm the highest ethical standards are followed by the Corporation by maintaining a Corporate Ethics Policy Framework to deal with ethical issues arising within the Perley Rideau and reviewing its constituent elements as warranted.
5. Develop and implement a comprehensive program for assessing the effectiveness of the governance of the Perley Rideau, including:
  - a. Conducting a regular review of the Board's Governance Framework and constituent elements;
  - b. Ensuring the Board conducts an annual assessment of its collective effectiveness;; and
  - c. Instituting a process for the assessment of individual Board members' contributions.
6. Provide the Executive Committee with:
  - a. Annually, the corporate objectives it proposes to focus on; and
  - b. An annual report assessing the progress of the Governance Committee.
7. Make recommendations to the Board with respect to any of the above matters and carry out any other duties assigned to it by the Board.

**Approved by the Board of Directors on the 5<sup>th</sup> day of March, 2009.**

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**Chair of the Board**