

Governance Committee Terms of Reference

PURPOSE

The purpose of the Governance Committee is to assist the Board of Directors in the continuous improvement of the effectiveness and efficiency of the performance of the Board of Directors through the adoption of progressive governance practices.

DUTIES AND RESPONSIBILITIES

Corporate Governance

The Governance Committee shall:

- Monitor developments in the area of corporate governance;
- Annually review Policy 41-002 “Governance Statement – WorkSafeNB Board of Directors” and recommend changes and/or approval to the Board of Directors;
- Review and recommend to the Board of Directors an appropriate evaluation process for the Board of Directors, the Chair of the Board of Directors, Board Committees and individual directors;
- Review, monitor and make recommendations regarding Board member orientation and ongoing professional development;
- Evaluate and make recommendations to the Board of Directors on issues related to the corporate culture within WorkSafeNB;
- Annually review and amend Board matrix;
- Recommends an annual board professional development and education plan;
- Identify and interview candidates qualified to be members of WorkSafeNB’s Board of Directors and make recommendations to the Board of Directors for approval. In doing so, the Governance Committee will consider:
 - Competencies and skills that the Board of Directors considers to be necessary for the Board, as a whole, to possess, as set out in the Board matrix;
 - Diversity, including without limitation, ethnicity, gender, age, business experience, functional experience, personal skills, stakeholder perspectives and geographic background; and
 - Competencies and skills that the Board of Directors considers each existing director to possess and that the Governance Committee considers any new nominee to possess;
- Consider and recommend to the Chair of the Board of Directors any new committees the Governance Committee believes are appropriate;
- Develop Terms of Reference for any new committees established by the Board of Directors; and
- Consider and consult with the Chair of the Board of Directors regarding those directors it considers qualified for appointment for each Board committee.

Legislative Stewardship

The Governance Committee shall review and make recommendations to the Board of Directors on priorities for legislative and regulatory amendments

Other Duties

The Governance Committee shall:

- Perform other activities as requested by the Board of Directors;
- Review and assess the adequacy of the Committee terms of reference annually, requesting Board approval for proposed changes; and
- Evaluate both the Committee's and individual members' performance on a regular basis.

AUTHORITY

The Governance Committee in discharging its responsibilities shall have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. It shall also have unrestricted access to records, data, and reports.

The Governance Committee may engage an independent consultant to assist them with their duties.

COMPOSITION

The Board of Directors will select and appoint members of the Governance Committee. Appointments shall be made for up to two years and are renewable. All efforts shall be made to ensure that the member's terms, both primary and alternate, are staggered so as to ensure continuity of experience on the Committee. The Governance Committee Chairperson presides over the committee meetings and reports committee actions to the Board of Directors.

The Governance Committee membership shall consist of:

- A Governance Committee Chairperson selected by the full Board who shall be a voting member of the Board of Directors but will not have voting authority at the Governance Committee,
- The President & Chief Executive Officer of WorkSafeNB, who shall be a non-voting member of the Committee;
- A Board Member representative of employers and selected by the employer representatives on the Board who shall be a primary member of the Governance Committee and who has voting authority;
- A Board Member representative of workers and selected by the worker representatives on the Board who shall be a primary member of the Governance Committee and who has voting authority;
- A Board Member representative of employers and selected by the employer representatives on the Board who shall be an alternate member of the Governance Committee and who shall have voting authority in the absence of the primary employer representative on the Governance Committee;
- A Board Member representative of workers and selected by the worker representatives on the Board who shall be an alternate member of the Governance Committee and who shall have voting authority in the absence of the primary worker representative on the Governance

Committee.

When making appointments to the Governance Committee, consideration will be given to the needs of the Board of Directors as well as competencies which the Board of Directors may consider necessary to carry out the duties of the Governance Committee.

PROCEDURES

The Governance Committee shall adhere to the following principles:

1. **Work plan:** The Governance Committee Chairperson, in consultation with the Board Chairperson and senior management, shall establish a work plan annually to ensure that the Committee responsibilities are scheduled to specific meeting agendas and dates.
2. **Meetings:** The Governance Committee shall meet at least twice per calendar year or more frequently as the committee deems necessary. The Governance Committee may also approve matters electronically in lieu of a meeting, should approvals be necessary between scheduled meetings, and where appropriate.
3. **Convening a Meeting:** The Governance Committee Chairperson, in consultation with the two primary Committee members, will ordinarily convene any Committee meeting though any two members (the Chairperson or either of the two primary members) can require that a meeting be convened.
4. **Meeting Quorum:** One voting member, either the primary or alternate member, representing employers, and one voting member, either the primary or alternate member, representing workers shall, with the Governance Committee Chairperson, constitutes a quorum.
5. **Minutes:** Minutes shall be prepared by a recording secretary and presented to the Governance Committee Chairperson in accordance with applicable Board policy and procedure.
6. **Access to Officials:** The Governance Committee shall have unrestricted access to officials of the organization as may be required to discharge their duties.

VOTING

The Governance Committee shall make all reasonable efforts to render decisions on a consensus basis. Where a consensus is not possible between voting members, primary or alternate as required, and there is a tie vote at the committee, the matter shall be forwarded to the full Board of Directors for debate and resolution.

OPERATIONAL PRINCIPLES

The Governance Committee shall adhere to the following operational principles:

1. **Communications:** The Governance Committee shall have direct, open and complete communication with management and staff of the organization.

2. **Work plan:** The Governance Committee Chairperson, in consultation with senior management, shall establish a work plan to ensure that Governance Committee responsibilities are scheduled to specific meeting agendas and dates.
3. **Meeting agenda:** The Governance Committee Chairperson shall establish meeting agendas in consultation with Governance Committee members, senior management.
4. **Information requirements:** The Governance Committee shall establish and communicate its information requirements, which shall include the nature, extent and timing of required information. Information shall be provided to the Governance Committee at least one week prior to the meeting.
5. **Preparation and attendance:** The Governance Committee members have an obligation to prepare for and participate in Governance Committee meetings.
6. **Conflict(s) of interest:** It is the Governance Committee members' responsibility to disclose a conflict of interest or the appearance of a conflict of interest to the Governance Committee. If there is any question as to whether Governance Committee member(s) should recuse themselves from a vote, the Governance Committee should vote to determine whether the member should recuse himself or herself.
7. **Orientation and training:** The Governance Committee members shall receive formal orientation training on the purpose and mandate of the Governance Committee and on corporate objectives. A process of continuing education shall be established.

ACCOUNTABILITY

The Governance Committee shall cause a record of the committee meeting to be provided to the Board of Directors at the next Board meeting following the Governance Committee meeting.