

## Governance and Human Resources Committee

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### 1. Purpose

The Governance and Human Resources Committee acts in an oversight and advisory capacity to the Board of Directors to:

- a) oversee the development and implementation of an effective approach to corporate governance that enables CLBC to fulfill its vision, mission, and core values, strategic goals and Mandate established by the Government of B.C., acting in the public interest;
- b) assist the Board in fulfilling its obligations relating to CLBC human resources oversight, including the CEO's annual goal setting and evaluation, executive compensation, CEO and executive succession planning and significant human resources policies.

### 2. Composition and Quorum

The Governance and Human Resources Committee is composed of at least three Directors and up to two independent, external advisors as appointed by the Board, none of whom are officers or employees of CLBC. The Board, on the recommendation of the Board Chair, appoints the Committee Chair and Committee members.

A majority of the members of the Committee constitutes a quorum. The Board Chair is an *ex officio* member of the Committee and may vote but is not counted in establishing a quorum. Neither the Board Chair nor the Committee Chair, having voted, shall have an additional deciding vote in the event of a tie; the resolution is not passed.

### 3. Accountability and Authority

The Committee is accountable to the Board.

Except where the Board by resolution or through the Committee's Terms of Reference has authorized the Committee to act, the Committee has no authority to direct management or to make decisions or commitments on behalf of the Board or CLBC.

### 4. Duties and Responsibilities

Subject to the powers and duties of the Board, the Governance and Human Resources Committee will perform the following duties.

#### 4.1. Governance

The Committee will:

- a) annually review compliance by CLBC with all applicable regulatory requirements relating to corporate governance;
- b) at least every two years, review the governance framework for CLBC and advise the Board regarding:
  - i) areas of concern;

- ii) corporate governance developments and best practices including reference to the Best Practice Guidelines and other governance reference training or materials issued from time to time by the Crown Agency Board Resourcing Office (CABRO); and
- iii) recommended changes
- c) ensure appropriate structures and procedures are in place to allow the Board to function effectively;
- d) annually review the composition of the Board as a whole and recommend, if necessary, changes to the Board Competency Matrix and Skills and Experience Profile;
- e) together with the Board Chair, annually and as vacancies arise, review the skills and experience on the Board and recommend to the Board the desired skills and experience for potential new Directors to be recommended to the Minister and the Crown Agency Board Resourcing Office (CABRO) through the Board Chair;
- f) ensure programs are in place for new Director orientation and ongoing Director professional development;
- g) assist and support the annual review processes for evaluating the effectiveness of the Board, Board Chair, individual Directors, Committees and Committee Chairs;
- h) periodically review and assess CLBC's communication to stakeholders and the general public with respect to its policies and practices in the areas of corporate governance, including the communication contained on CLBC's internal and external websites;
- i) annually review and ensure the adherence and adequacy of CLBC's Board Policies governing board conduct;
- j) annually review and ensure the adherence and adequacy of processes and procedures that govern the board's work;
- k) annually obtain Conflict of Interest Declarations from Directors;
- l) address conduct and policy compliance issues as delegated to the Committee by the Board;
- m) review Directors' and Officers' liability coverage;
- n) review the relevant audit reports and any recommendations made; and
- o) receive and review periodic progress reports relative to key performance indicators.

#### **4.2. Risk Management**

The Governance and Human Resources Committee will review the identification, assessment and management of corporate risks and review mitigations pertaining to Governance and Human Resources at CLBC and report its findings annually to the Board.

### 4.3. Human Resources

The Committee will:

- a) Provide strategic direction to the Chief Executive Officer in building and maintaining a diverse and inclusive organizational culture and lived values that will support the success of CLBC's mandate;
- a) annually review CLBC's HR (People and Culture) strategy and confirm its alignment with the vision, mandate and strategic plan
- b) together with the Board Chair, lead the development of the CEO's annual goals and objectives, for recommendation to the Board;
- c) together with the Board Chair, lead the Board's annual performance and compensation review for the CEO and report its findings for review and approval by the Board;<sup>2</sup>
- d) annually review CLBC's management structure and CEO and executive succession plans to ensure alignment with the strategic plan, business objectives and risks. Support Service Quality and Performance Committee in their review of the organizational structure as it pertains to service, quality and delivery
- e) review and recommend to the Board CLBC's philosophy and guidelines for management compensation;
- f) review management recommendations for programs, policies and practices with respect to the learning and development of CLBC's human resources;
- g) recommend to the Board the guiding principles for collective bargaining and proposed collective agreements;
- h) review compliance with legal and regulatory requirements related to the CLBC workforce ;
- i) review with the CEO any proposed external commitments of the CEO before they are made, including acting as a volunteer or compensated director or trustee of for-profit and not-for-profit organizations, and
- j) make recommendations for approval by the Board.

### 4.4 Strategic Planning

The Governance and HR Committee, as part of its oversight and advising role, may assist management and the board chair in the planning and evaluation of strategic planning retreats and board sessions. The committee will report regularly to the board on these activities, and seek the board's feedback on their expectations and assessment of the strategy sessions.

### 4.5. Other

The Committee will:

- a) assume other related responsibilities as assigned to the Committee by the Board.

## 5. Meetings

The Governance and Human Resources Committee meets as required to fulfill its responsibilities, but no less than four times per year. Meetings are held at the call of the Committee Chair or as requested by any two Committee members.

## 6. Reporting

- a) The Committee will report to the Board by providing a written high level update /briefing note following its meetings and in advance of the following Board meeting. When a Board meeting closely follows a Committee meeting, the Committee Chair will provide a verbal report to the Board; and
- b) The Committee will review and approve minutes after each meeting, which will then be stored so as to be accessible to all Board members.

## 7. Access and Support

The CEO will assign appropriate senior staff to support the committee as required.

## 8. External Advisors

The Committee may engage independent advisors at the expense of CLBC when it deems necessary, subject to the approval of the Board Chair.

## 9. Responsibility for Policy Review

In addition to ensuring the annual review of all Board-approved policies (section 4.1 i above), this Committee has responsibility to review at least annually, and more frequently if necessary (e.g., based on legislative or regulatory changes, or a development in governance best practices) the policies assigned to it in the section of the Board Governance Manual entitled List of Significant Organizational Policies, to ensure both completeness of the policies currently in place to ensure compliance with best practices; and to ensure mechanisms are in place to monitor policy compliance.

## 10. Committee Self-Review

The Committee has responsibility to:

- a) on an annual basis, review the Terms of Reference for the Committee and make recommendations as required to the Governance and HR Committee for further recommendation to, and approval by, the Board; and
- b) confirm to the Board on an annual basis, the Committee's fulfillment of its mandate and work plan for the preceding year.

## 11. Committee Calendar

The timetable for the Committee's activities is reflected in the Committee's calendar set out as below.