

 <p>Middlesex Hospital Alliance Strathroy Site <input checked="" type="checkbox"/> Four Counties Site <input checked="" type="checkbox"/></p>	<p>Policy <input checked="" type="checkbox"/> Procedure <input type="checkbox"/> Standard <input type="checkbox"/> Medical Directive <input type="checkbox"/></p>	<p>Manual BOARD OF DIRECTORS Policy 3.3</p>
CODE OF CONDUCT FOR DIRECTORS AND COMMUNITY REPRESENTATIVES		
<p>Date Issued: April 28, 2010 Date Last Reviewed: March 2023 Next review date: March 2026</p>	<p>Issued by: Governance Committee</p>	<p>Approved by: MHA Board of Directors March 29, 2023</p>
<p>Cross Reference:</p>		

1.0 PURPOSE OF THIS CODE

The purpose of this Code of Conduct is to set forth the general expectations for, and duties of, the Directors of Middlesex Hospital Alliance, and provides for certain consequences in respect of breaches of those duties or of the by-laws or policies of Middlesex Hospital Alliance.

2.0 DEFINITIONS

In this Policy, the following terms shall have the following meanings:

- (a) “Board” means the Board of Directors of Middlesex Hospital Alliance;
- (b) “Chair” means the Chair of the Board of Directors of Middlesex Hospital Alliance;
- (c) “Code” refers to this Code of Conduct for Directors;
- (b) “Director(s)” means Directors sitting on the Board of Directors of Middlesex Hospital Alliance, including *ex-officio* Directors and community representatives including Foundation representatives of Board committees;
- (c) “Hospitals” means either of the two corporations that form the Middlesex Hospital Alliance, including Strathroy Middlesex General Hospital and Four Counties Health Services Corporation;
- (d) “MHA” means Middlesex Hospital Alliance and includes Strathroy Middlesex General Hospital and Four Counties Health Services Corporation.

3.0 APPLICATION

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

4.0 DUTIES OF DIRECTORS

4.01 Duty of Care, Diligence and Skill. All Directors of MHA stand in a fiduciary relationship to the organization. In discharging their duties, each Director must act honestly and in good faith with a view to the best interest of MHA and must exercise the care, diligence and skill that would be expected of a person with their knowledge and experience. This standard can be achieved by any Director who devotes reasonable time and attention to the affairs of MHA and who exercises informed business judgment. Reasonable delegation is permitted to senior management, with certain exceptions, but responsibility for governance decisions will always be that of the Directors. The Directors cannot contract out of their legal duties or appoint a proxy to assume their legal duties. Directors will be personally liable for any breach of them.

4.02 Duty of Care. The required standard of care is measured against the subjective standard of what a person with that skill and experience would do in comparable circumstances. This requires the Directors to devote the necessary time and attention to be able to bring their own judgment to bear on a matter and make an informed decision. The Directors must use common sense in their decision-making and should be careful, deliberate, and cautious. The Directors have a duty to be

aware of information that reasonable care and diligence would have revealed, and they should try to foresee the probable consequences of their proposed course of action.

- 4.03 Duty of Diligence.** The concept of diligence implies attentiveness, persistence and vigilant activity. This means that attention to the purpose and policies, delegation of authority and the operations of MHA are essential.
- 4.04 Duty of Skill.** The test for skill is a subjective test determined by the skills and knowledge possessed by an individual Director. A Director has a duty to employ the skills and knowledge that he or she possesses. The greater the skills of a Director, the higher the standard of care that will be expected of the individual.
- 4.05 Duty to Act for a Proper Purpose.** The Directors must act in the best interests of MHA. Other interests may legitimately be considered, including those of the employees, patients, creditors, governments and the public-at-large; however, these cannot be paramount and cannot ultimately lead to action contrary to the best interests of MHA.
- 4.06 Duty to Avoid Conflict of Interest.** Directors must avoid situations where their personal interests will conflict, or will appear to conflict with their duties to MHA. Directors must also avoid situations where their duties to MHA may conflict with duties owed elsewhere.
- 4.07 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.

4.08 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.

5.0 BOARD SOLIDARITY AND DIRECTOR DISSENT

5.01 Board Solidarity: 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.(ONCA, s. 45(1)-(2).)

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.(ONCA, s. 45(3). A director who abstains may be deemed to consent under ONCA)

5.02 Board Spokesperson

The Board chair shall be the spokesperson for the Board.¹ 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.

5.03 Respectful Conduct

- a) **Diversity, Mutual Respect and Authority of Chair.** It is recognized that Directors bring to the Board diverse backgrounds, 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.
- b) **Support of Board Decisions and Actions.** Directors acknowledge that properly authorized Board actions must be supported by all Directors. The Board speaks with one voice. Those Directors who have abstained or voted against a motion must adhere to and support the decision of a majority of Directors.

6.0 CONFIDENTIALITY

- 6.01 **Representing MHA in the Community.** It is recognized that the role of Director may include representing MHA in the community. However, such representations must be respectful of and consistent with the Director's duty of confidentiality.
- 6.02 **No Representations Unless Authorized.** The Chair is the only official spokesperson for the Board. No Director shall speak or make representations on behalf of the Board unless authorized by the Chair. When so authorized, the Director's representations must be consistent with accepted positions and policies of the Board.
- 6.03 **Respect for Confidential Information.** Every Director of MHA shall respect the confidentiality of information about the Hospitals, whether that information is received in a meeting of the Board or of a committee or is otherwise provided to or obtained by the Director.
- 6.04 **Breach of Confidentiality.** A Director is in breach of his or her duties with respect to confidentiality when information is used or disclosed for purposes other than those of serving MHA.

7.0 OBTAINING ADVICE OF COUNSEL

Directors' requests to obtain outside opinions or advice regarding matters before the Board must be made through the Chair.

8.0 DISCIPLINARY ACTION

Breach of the Code of Conduct for Directors. In the event of an alleged breach of the Code by a Director, the Board will follow the steps outlined below with the understanding that they are a guideline only and the nature of the conduct will guide the nature of the response.

- (a) When a Director feels or has reason to believe that another Director has violated the Code, that Director should communicate directly with the Chair regarding the concern.
- (b) When it becomes evident that a Director may have breached the Code, the Chair should have a meeting with the Director to discuss the circumstances. If it then becomes evident that the Director has breached the Code, the Chair should point out the behaviour, point out that the Code prohibits such behaviour, and discuss that the behaviour is unacceptable.
- (c) Depending on the seriousness of the breach, it may be appropriate to prepare a letter from the Chair to the Director to document the Chair's concerns. The letter would put the Director on notice that s/he has a fiduciary duty to act in the best interests of MHA and to comply with

its by-laws and policies, including the *Code of Conduct for Directors*. The letter would identify the offending behaviour and advise the Director that s/he has breached the Director's duty to MHA, and that any more of such behaviour will not be tolerated and will require the Chair to recommend to the Board that remedial action be taken against the Director.

- (d) If the behaviour continues, the Executive Committee as a whole could meet with the Director to reinforce the unacceptability of the behaviour. A further letter may also be sent from the entire Executive Committee.
- (e) If the Executive Committee concludes that the Director's behaviour renders the Director a liability to MHA and the Board, the Director should be advised in person and in writing that the Chair will be raising the matter before the full Board at the next Board meeting.
- (f) At the Board meeting at which the Director's behaviour is raised, the Chair may present a summary of the Director's behaviour, its impact on MHA and the Board, and what actions the Chair/Executive Committee have taken to deal with it. The Director will be given an opportunity to speak to the Board and then leave the room. The Board may then deliberate over the appropriate action to take which could include:
 - (i) Approving a motion that a further letter of sanction be sent to the Director reflecting the Board's disapproval of his/her conduct and stating that the Board will not tolerate any further incidents in breach of his/her duty;
 - (ii) Asking for the Director's resignation from the Board; or
 - (iii) Approving a motion to remove the Director from the Board under the by-laws.
- (g) At any time during this process, the Director may resign from the Board.

9.0 AMENDMENT

9.01 Amendment. This Policy may be amended by the Board of Directors.