

Board Governing Policy

3.3 Board Composition

Policy Number	3.3
Policy Title	Board Composition
Date First Approved	April 16, 2010
Date Reviewed	November 30, 2020, March 7, 2023
Date Revised	December 9, 2020, March 17, 2023

Preamble: To set and assist in fulfilling Covenant Health, Covenant Care and Covenant Livings (hereinafter referred to as "Covenant") Strategic Plan and to operate as a highly functioning Covenant Health Board, Covenant Care Board and Covenant Living Board (hereinafter referred to as "Board"), the Board recognizes the importance of identifying the required competencies.

Purpose: This policy outlines the skills, experience, and knowledge required collectively (Board competencies) to set and assist in fulfilling Covenant's Mission, Strategic Plan, fiduciary, legal, stewardship and advocacy responsibilities.

Policy: The Board shall nominate prospective candidates to Catholic Health of Alberta for appointment to the Board (as per the Covenant bylaws and the *Board and Committee Member Recruitment Policy #4.7*) with the necessary Board competencies outlined in this policy. The Governance Committee is responsible for reviewing these competencies annually.

STEWARDSHIP / FIDUCIARY

Financial Expertise: Experience as a CPA, CFO or CEO in financial accounting and reporting or corporate finance. Experience selecting the appropriate investments and asset allocations to match organizational strategic objectives and risk tolerance.

Human Resources: Experience in the oversight of significant, sustained succession planning and talent development and retentions programs, including executive compensation. Experience working with collective bargaining units.

Legal, Regulatory & Risk: Experience and knowledge of not-for-profit legislation and by-laws, general law and legal processes. Understanding of risk mitigation and risk oversight mindset.

Industry Knowledge/ Quality: Knowledge, leadership, and direct professional medical experience within the health care industry, especially factors influencing the health care system.

Board Experience: prior or current experience as a board member for a significant organization, with a current governance mindset, including a focus on Corporate Social Responsibility.

Theology/Catholic Mission – A broad category referring to particular experience, insights and knowledge about the Catholic Church and/or its mission in health care. This does not necessarily mean formal training in theology.

STRATEGIC

Managing/Leading Growth: Experience driving strategic decisions and leading growth of an organization, preferably including the management of multiple, significant projects.

Transformative Organizational Change: Experience in system transformation. Transformational change is a type of organizational change that completely reshapes the organization. Transformational change occurs in response to, or anticipation of, significant changes in an organization's environment or technology. Passion and demonstration of leadership in transformation.

Experience at Large/Complex Organizations: Ample experience in the leadership of larger organizations. A complex organization has a larger size of its organizational structure or has a higher number of resources in any division, project, or team. Complexity can be due to multiple stakeholders, multiple organizational structures, or multiple steps that need to be followed in a process.

Business Acumen and Entrepreneurship: Track record of leveraging own experience and wisdom in making sound strategic and operational business decisions.

Innovation, Technology and AI: Knowledge and understanding of the innovation, technology, and artificial intelligence sector.

GENERATIVE/ADVOCACY

Community Development & Stakeholder Engagement: Involve and engage stakeholders at the appropriate level who may be affected by decisions or can influence the outcome of Board decisions.

Government Relations & Public Sector: Experience in, or a thorough understanding of government workings, public policy, and decision-making processes, especially in Alberta. Contacts with current or former political leaders and bureaucrats an asset.

DIVERSITY

The Covenant Board believes in diversity and values the benefits that diversity can bring to its board of directors. Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that Covenant has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

For purposes of Board composition, diversity includes, but is not limited to, self declared age, gender, community of residence, and social & cultural diversity. Social & Cultural diversity can include self-declared diversity such as visible minority, persons with disability, ethnicity or cultural group, indigenous, etc.