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	<b>Code of Conduct</b>		
<b>Date Issued: September 2006</b> <b>Date Review/Revised: Mar. 2010, Aug. 2013, Sept. 2014, Nov. 2015, Oct. 2016</b> <b>Next Review Date: October 2019</b>			
<b>Owner:</b> President & Chief Executive Officer	<b>Reviewer(s):</b> Executive, Governance & Planning Committee	<b>Approver:</b> Board of Governors	
<b>Cross Reference:</b>			

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### **Purpose**

South Huron Hospital Association (SHHA; the Hospital) is committed to ensuring that, in all aspects of its affairs, it maintains the highest standards of public trust and integrity.

### **Policy**

#### **Application**

This Code of Conduct applies to all directors, including ex-officio directors, and non-board members of Board committees. Directors are also required to comply with the Hospital's policy on Ethics and Standards of Business Conduct, which applies to employees and professional staff.

#### **Directors' Duties**

All directors of the Hospital stand in a fiduciary relationship to the Hospital corporation. As fiduciaries, directors must act honestly, in good faith, and in the best interests of the Hospital corporation.

Directors will be held to strict standards of honesty, integrity and loyalty. A director shall not put personal interests ahead of the best interests of the corporation.

Directors must avoid situations where their personal interests will conflict with their duties to the corporation. Directors must also avoid situations where their duties to the corporation may conflict with duties owed elsewhere. Where conflicts of interest arise, directors will comply with the requirements of the Hospital's by-laws and applicable legislation.

In addition, all directors must respect the confidentiality of information about the corporation.

#### **Best Interests of the Corporation**

Directors must act solely in the best interests of the corporation when representing SHHA. Directors who are nominees of a particular group must act in the best interests of the corporation, even if this conflicts with the interests of the nominating party.

#### **Confidentiality**

Directors and committee members owe a duty to the corporation to respect the confidentiality of information about the corporation 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 or committee member. Directors and committee members shall not disclose or use for their own purpose confidential information concerning the business and affairs of the corporation unless otherwise authorized by the Board.

It is recognized that the role of director may include representing the Hospital in the community. However, such representations must be respectful of and consistent with the director's duty of confidentiality. In addition, the Board Chair is the only official spokesperson for the Board.

A director is in breach of his/her duties with respect to confidentiality when information is used or disclosed for other than the purposes of the Hospital corporation.

#### Board Spokesperson

The Board has adopted a policy with respect to designating a spokesperson on behalf of the Board. Only the Board Chair or designate may speak on behalf of the Board.

No director shall speak or make representations on behalf of the Board unless authorized by the Board Chair or the Board. When so authorized, the Board member's representations must be consistent with accepted positions and policies of the Board.

#### Media Contact and Public Discussion

News media contact and responses and public discussion of the Hospital corporation's affairs should only be made through the Board's authorized spokesperson. Any director who is questioned by news reporters or other media representatives should refer such individuals to the appropriate representatives of the corporation.

#### Respectful Conduct

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 Board Chair must be respected by all directors.

#### Corporate Obedience – Board Solidarity

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 the directors.

#### Obtaining Advice of Counsel

Request to obtain outside opinions or advice regarding matters before the Board may be made through the Board Chair.

#### Disciplinary Action

In the event of an alleged breach of the Code of Conduct (the Code) by a Director, the Board will follow the outlined steps below with the understanding that these steps are a guideline only and the actual nature of the conduct breach will guide the response and actions taken:

1. When a Director feels or has reason to believe that another Director has violated the Code, the Director's concern should be communicated directly to the Chair.
2. When it becomes evident that a Director may have breached the Code, the Chair should have a private meeting with the Director to discuss the circumstances. If it then becomes

evident that the Director has in fact breached the Code, the Chair should point out the inappropriate behaviour and the prohibition of such unacceptable behaviour.

3. 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 he or she has a fiduciary duty to act in the best interests of the SHHA and to comply with its by-laws and policies, including the Code of Conduct policy. This letter would identify the offending behaviour and advise the Director that their duty has been breached, and that any more such behaviour will not be tolerated and will require the Chair to recommend to the Board that remedial action be taken against the Director.
4. If the behaviour continues, the Executive, Governance & Planning (E G & P) 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 E G & P Committee.
5. If the E G & P Committee concludes that the Director's behaviour renders the Director to be a unacceptable liability risk to the SHHA 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.
6. At the Board meeting during which the Director's behaviour is raised, the Chair may present a summary of the Director's behaviour, its impact on the SHHA and the Board, and what actions the Chair/E G & P 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:
  - a) 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;
  - b) Asking for the Director's resignation from the Board; or
  - c) Approving a motion to remove the Director from the Board under the by-laws.
7. At any time during this process, the Director may resign from the Board.

#### Amendment

This policy may be amended by the Board.