



Governance Committee

Committee Mandate

1. PURPOSE

Holstein Canada's Governance Committee has been established to assist the Board of Directors in its oversight responsibilities with respect to developing, reviewing and assessing governance principles and guidelines for Holstein Canada that are consistent with high standards of governance.

The Governance Committee is a permanent Committee of the Board of Directors, and has been given the authority, responsibility and specific duties as described below.

2. AUTHORITY

The Governance Committee is constituted pursuant to By-law: 9.14.6.

3. CODE OF CONDUCT

Committee members must sign a copy of the Committee Member Code of Conduct on an annual basis and abide by all of the duties outlined within the Code of Conduct.

4. COMPOSITION

i. Chairperson

The Chairperson will be a Director of Holstein Canada and will be appointed by the Board at the first regular meeting of the Board following the Annual General Meeting of Members. If the Chairperson of the Committee is unavailable for a meeting, the members may appoint another member of the Committee to serve as Chairperson of that meeting.

ii. Membership

The Committee shall be appointed annually and consist of at least four (4) members:

- Minimum of three (3) National Directors (one (1) of which will be Chairperson);
- one (1) of the three (3) Board members so designated shall also serve on the Risk Committee to act as a liaison between the two Committees;
- One (1) external expert/advisor, as determined by the Board.
- The Association's Chief Executive Officer will serve as the Management Advisor to the Committee.

iii. Experts and Advisors

The Committee may retain or appoint, at the Association's expense, such experts and advisors as it deems necessary or advisable to carry out its duties under this Mandate.

5. COMMITTEE RESPONSIBILITIES

In addition to such other duties as may be determined from time to time by the Board, the Committee will have the following duties:

i. Governance Principles and Board Role

- Develop, and review regularly, the Governance Handbook, including policies and procedures by which the Board will operate, By-laws to ensure their continued adequacy and relevance, and terms of reference for Board committees;
 - Review and assess the needs of the Board in terms of the conduct of meetings with a short online survey after each meeting;
 - Consider the Board's role in the management and direction of the Association;
 - Recommend policies and procedures to enable Directors to carry out their duties and comply with all legal requirements;
 - Record and monitor all issues that relate to the Board of Directors from a governance perspective and ensure they are discussed, including action taken if and when appropriate;
 - Annually review the National Director Honourarium, per diem and expense policies at the first meeting following the National Convention.
- ii. Board Composition**
To ensure maximum Board effectiveness the Committee will:
- Consider and recommend to the Board as to the appropriate size of the Board;
 - Consider and recommend to the Board the competencies and skills that the Board as a whole should possess;
 - Recommend to the Board strategies to fill the competency gaps.
- iii. Committee Structure, Membership and Operation**
In the regular review of the structure and mandates of each Board Committee (including this Committee), the Committee will:
- Establish a process to identify potential Committee members;
 - Recommend to the Board a process for appointment to and removal of members from each Board Committee considering specific Committee requirements and qualifications of members;
 - Assess the effectiveness of each Board committee.
- iv. Board Independence**
Establish and maintain procedures that allow the Board to function independently of management.
- v. Establish Policies**
Review and approve governance policies such as, confidentiality policies, conflict of interest, the Association's Code of Conduct and other relevant policies associated with an effective system of governance as determined from time to time by the Committee (including, upon recommendation by the Audit and Finance and Risk Committees, disclosure policies of the Association).
- vi. Evaluation of the Board and Directors**
Establish procedures to evaluate the performance of the Board and each Director.

vii. Orientation and Continuing Education

- Ensure that all new Directors receive a comprehensive orientation, including an understanding of the contribution that the Director is expected to make and an explanation of the Board and its committees;
- Provide continuing education opportunities for all Directors, both to maintain and enhance their skills as Directors;
- Keep Directors current in their knowledge and understanding of the Association's business.

viii. Reporting

- The Chairperson of the Governance Committee will normally report to the subsequent meeting of the Board of Directors on all of its proceedings and recommendations;
- The Chairperson of the Governance Committee will present any By-law amendments to the membership at the Annual General Meeting;
- The Chairperson of the Governance Committee will follow appropriate timeline for any By-law amendments for publication in infoHolstein and discussion with Agriculture and Agri-Food Canada.

6. DELEGATION

The Committee may determine that a specific matter or categories of matters within this Mandate should be delegated to a special sub-committee composed of members of the Committee. If the Committee delegates any matter to such a sub-committee, the Committee shall establish the procedures for the conduct of the business so delegated (including quorum requirements), which procedures must be in accordance with the Association By-laws and applicable law.

7. COMMITTEE TIME REQUIREMENTS

The Committee should endeavour to meet at least once a year and more if needed. The President or Chairperson of the Committee and the Chief Executive Officer may determine additional meetings. Notice of the time and place of each meeting will follow guidelines established in the Governance Handbook. Meetings are to be conducted in accordance with the Association By-laws, normal practices and applicable law.

8. QUORUM

A majority of members of the Committee will constitute a quorum for the transaction of business.

9. REMOVAL AND VACANCY

Any member of the Committee may be removed and replaced at any time by the Board. The Board will fill vacancies in the Committee by appointment in accordance with Section 2 (Authority) of this Mandate. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members may exercise all its powers.

10. COMMITTEE PAPERS

Unless directed by the Committee Chairperson, the Committee Secretary shall distribute in advance of a meeting of the Committee an agenda and any related papers to each member of the Committee and the Chief Executive Officer.

11.COMMITTEE MINUTES

The Chief Executive Officer of the Association will appoint a Recording Secretary for the Committee. The minutes of the Committee will be in writing and, following review by the Chairperson of the Committee and approval by the Committee, duly entered in the books of the Association.

12.REPORTING TO THE BOARD

Following a review of the minutes by the Chairperson and the Committee, minutes of each meeting shall be submitted to the Board for consideration of any actions or recommendations.

The Committee Chairperson or a Committee designate must report to the Board after each Committee meeting concerning:

- a) the actions and recommendations of the Committee; and
- b) all matters relevant to the Committee's role and responsibilities.

13.COMPENSATION

Committee members will receive a per diem for attending virtual and in-person meetings in accordance with the Holstein Canada Per Diem guidelines set forth by the Board of Directors.