

## BOARD GOVERNANCE

### STATEMENT OF CORPORATE GOVERNANCE

Under the guidance of our Board of Directors (the “Board”), HCA is committed to ensure that the Organisation is effectively governed and managed, supported by appropriate functions, policies and processes. We remain steadfast to continually improve our governance and management practices to remain accountable and transparent to our stakeholders as a responsible IPC.

The Board and the management of HCA firmly believe that a genuine commitment to uphold high standards of corporate governance is key to the sustainability of HCA’s mission and vision to provide end of life care to the community.

HCA strives to adhere fully to the principles and guidelines of the Code of Governance for Charities and Institutions of a Public Character (IPCs), the Charities Act, relevant regulations and other frameworks (Charity Transparency Framework) as governed by the Charity Council.

The Organisation has compiled and updated the Governance Evaluation Checklist in the Charity Portal for the financial year ended March 2023 at [www.charities.gov.sg](http://www.charities.gov.sg).

### GOVERNING INSTRUMENTS

HCA's Constitution and the Code of Governance for Charities & Institutions of a Public Character (IPCs) governs and guides the selection, recruitment, tenure of its office bearers, election and appointment and induction of new Board members and self-assessments are conducted regularly to measure Board effectiveness.

### ROLE OF THE GOVERNING BOARD

HCA is governed by a Board of Directors whose members are made up of volunteers according to its Constitution.

As part of its stewardship role, the Board is responsible for setting and overseeing strategies for the achievement of HCA’s objectives and ensures that there are adequate resources to meet its objectives. The responsibilities of the Board include promoting best practices of corporate governance, establishing prudent and effective controls, assessing and managing risks, and overseeing new programmes and monitoring the efficiency and effectiveness of these programmes in meeting HCA’s objectives.

Day-to-day management of HCA is delegated by the Board to the management team headed by the Chief Executive Officer (CEO) in accordance to the directions set out by the Board.

Matters reserved for Board’s approval and decision-making are detailed in the Approval and Authorisation Matrix (AAM) including but not limited to the following:

- Key appointments – Appointment of Chief Executive Officer, Medical Director, directorships, and internal and external auditors;
- Strategic Direction – Approval of HCA’s mission, vision and strategic plans;
- Capacity and Capability plans – Approval of Annual Workplans and Budget to ensure they are aligned to HCA’s strategies;
- Financial Reporting and Controls – Approval of Approval and Authorisation Matrix, financial statements, investments and change of reserve purposes.
- Policies – Approval of key policies to guide the operating activities of HCA including but not limited to Code of Conduct and Conflict of Interest Policy.

## **BOARD SELECTION AND RECRUITMENT**

For robust governance, the Board strives to ensure that the range and diversity of expertise and viewpoints among the directors adequately addresses the Organization's needs. The Board adopts a diversity matrix to ensure that collectively, the Board has the necessary core competencies in areas such as clinical, legal, human resource, finance and investment, audit and risk, fundraising, marketing and partnerships, information technology, volunteer management, and governance to effectively lead and steward HCA towards its strategic goals. In terms of gender diversity, the 11-member Board consist of five females (45%) and six male directors (55%) in FY22/23.

Directors appointed must be independent, hold high ethics standards and willingly committed to our mission and vision without any remuneration and benefits. No staff member of HCA is a Director. The Board has a formalised process for the appointment and re-appointment of Board directors and members of Board Committees.

To build a steady pipeline of Board talent, the Board and management actively engages potential candidates with specific skillsets that could add value serving as Board and Board Committee members. The process for selection and recruitment of the Board members is established by the Nominations Committee. New Board members are recruited based on the strength of their personal and professional calibre and those who possess the desired competencies to meet current and future needs of the Organisation. Nomination Committee taps on the resources of directors' and management's personal contacts and recommendations for potential candidates. Candidates who wish to be considered as Board members should preferably first serve in Board Committees before being invited to join the Board. During this period, they are assessed for their suitability and provide candidates a better understanding of the Organisation and responsibilities of the Board. Potential Board director candidates identified will be screened by the Nominations Committee. Nominations Committee will also conduct reference checks on potential candidates and makes its recommendations to the Board for approval.

## **APPOINTMENT AND TERM LIMIT OF BOARD**

Each term of office of any director shall be a maximum of three years and all directors submit themselves for re-nomination and reappointment at least once every three years. According to HCA's Constitution, a director may serve a maximum of three consecutive terms of office. In particular, the Chair of the Finance and Investment Committee shall not hold office for more than 4 consecutive years.

In 2023, none of the 11 directors served on the Board for more than 9 years since HCA transited to a Company Limited by Guarantee entity in 2021.

The Board of HCA had previously served on the Council of HCA Hospice Care, which was in operation until 31 March 2022. All Board members were first appointed during the transition period in 2021 and 2022 as approved by the members of HCA Hospice Limited. All of them were renominated and reappointed to the Board at the 1st Annual General Meeting held on 20 August 2022. The Board members declared that they are neither undischarged bankrupts nor have they been convicted of any offence in a court of law.

## **BOARD EVALUATION**

The Board self-assessment will be conducted annually. A Board Self-Evaluation exercise was conducted in June 2022 covering areas such as composition of the Board, effectiveness of the Board, strategic planning and adequacy of resources to meet its objectives. There was a good diversity of opinions and overall scores showing consensus on many areas. The Nominations Committee is responsible for evaluating the effectiveness of the Board and identify areas for improvement.

## **INDUCTION AND TRAINING**

All incoming members are given appropriate induction and orientation through engagement sessions with CEO and Board members to provide them with an in-depth understanding of the vision and mission of HCA, our objectives and strategic focus. They are invited to participate in various organisational activities, including home visits, to get insight into the work of the Organisation beyond Board meetings.

Board members are also encouraged to attend training to develop core skills and competencies, and keep abreast of evolving laws and regulations. A Board workshop was held on 8 October 2022 covering topics such as Board governance, roles and composition, effectiveness of the Board and Code of Governance.

## **DISCLOSURE OF REMUNERATION AND BENEFITS RECEIVED BY BOARD MEMBERS**

The Board do not receive remunerations for their services. There is no claim by the Board members for services provided to the Organisation, either by reimbursement to the Board members or by providing the Board members with an allowance or by direct payment to a third party.