



## Compensation, Governance and Nominating Committee Charter

### Policy

The Committee has been established by the Board to assist the Board in fulfilling its responsibilities for (i) providing oversight with respect to Centric's compensation and human resources policies and practices, all with the objective of enhancing Centric's performance and shareholder value, (ii) developing and overseeing governance process and structures to supervise the business and affairs of Centric to define the allocation of authority between the Board and management so as to achieve accountability to Centric's shareholders, (iii) identifying nominees to act as Directors of Centric, and (iv) overseeing quality and performance measurement and monitoring as well as risk identification and mitigation.

### Definitions

In this Charter:

"**Centric**" means Centric Health Corporation;

"**Board**" means the Board of Directors of Centric;

"**Chair**" means the Chair of the Committee;

"**Committee**" means the Compensation, Governance and Nominating Committee;

"**Director**" means a director of the Board; and

"**Senior Management**" means the Chief Executive Officer of Centric and his or her direct reports including those serving on any management committee established from time to time, including but not limited to, the Chief Financial Officer, any divisional Chief Operating Officer, the Vice President and General Counsel and the Chief Human Resources Officer, with the understanding that this includes any other individuals defined in Form 51-102F6 to National Instrument 51-102 or any successor instrument thereto.

### Purpose

The Compensation, Governance and Nominating Committee is a standing Committee of the Board.

#### *Compensation and Human Resources*

The purposes of the Committee with respect to its compensation and human resources functions are to, on behalf of the Board, (i) review and approve compensation levels for Senior Management, (ii) review and approve equity compensation programs for Centric's employees and exercise discretion in administration of such programs, and (iii) oversee certain aspects of Centric's retirement plans to the extent established from time to time.

### *Governance and Nomination Processes and Structures*

The purposes of the Committee with respect to its functions relating to governance processes and structures are to, on behalf of the Board, (i) identify individuals qualified to become members of the Board consistent with criteria approved by the Board, (ii) recommend to the Board nominees for election to the Board at each annual meeting of shareholders or to fill vacancies on the Board and to address related matters and (iii) develop and recommend to the Board corporate governance principles applicable to the Corporation and be responsible for leading the annual review of the performance of the Board.

### *Quality and Risk*

The purposes of the Committee with respect to its functions relating to quality and risk are to, on behalf of the Board, (i) track quality, safety and performance metrics and (ii) monitor and mitigate enterprise risks.

### **Structure**

- The Committee shall be composed of three or more Directors, a majority of whom shall be independent Directors.
- Members shall hold office from the time of their appointment until the earlier of their removal or resignation from the Committee.
- One of the members, who is an independent Director, shall be appointed by the Board as the Chair.
- Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Company shall be the secretary of the Committee. The Secretary of the Committee shall maintain the records of the Committee.
- The Committee shall establish its own procedures, including the timing and place of meetings, as it considers necessary or advisable.

### **Role of the Chair**

The main responsibilities of the Chair are as follows:

- Call and chair all meetings of the Committee. If the Chair is unavailable or unable to attend a meeting of the Committee, then the Chair shall request another member to chair the meetings. Failing such request, the acting Chair shall be designated by and from the members present at the meeting. In each case, the acting Chair shall be an independent Director;
- Develop the agenda for meetings of the Committee with or without consulting management;

- Hold the right to cast a vote to resolve any ties on matters that require Committee approval;
- Act as the primary contact between the Committee, the Board chair and management;
- Report to the Board on all meetings and activities of the Committee; and
- Assume other responsibilities as this Charter, the Committee or the Board may specify from time to time.

### **Accountabilities and Responsibilities**

The Committee shall have the accountabilities and responsibilities set out below as well as any other matters that are specifically delegated to the Committee by the Board:

#### *Compensation*

- The Committee shall review and make recommendations to the Board at least annually regarding Centric's compensation philosophy and policies including base salary, cash and/or equity-based incentives, benefits and other perquisites.
- The Committee shall review and recommend to the Board at least annually all compensation arrangements with Senior Management of Centric including the Chief Executive Officer. As part of the annual review of Senior Management, the Committee shall satisfy itself as to the integrity of each member of Senior Management and the contribution of each such person in creating a culture of integrity throughout the organization, and shall evaluate the performance of each executive and member of Senior Management, including the Chief Executive Officer, in relation to achieving corporate and individual performance goals and objectives as established by the Committee.
- The Committee shall review and recommend awards under Centric's Stock Option Plan, Restricted Stock Unit Plan, Deferred Share Unit Plan and other incentive plans that may be in place from time to time (collectively, the "**Plans**"), the terms and conditions of the Plans, and recommend to the Board amendments to the Plans. The Committee shall make recommendations regarding changes, for Board approval, to ensure that the compensation philosophy and policies remain competitive, are market related and linked to both individual and corporate performance, and are aligned with Centric's business strategy and the interests of shareholders.
- The Committee shall (i) review the Senior Management and Director compensation sections to be included in each Management Information Circular of Centric, and (ii) review such reports and disclosure as may be required to be included in each Management Information Circular of Centric including the Compensation Discussion and Analysis.

- The Committee shall review Centric's Share Ownership Policy on an annual basis and recommend any changes to the Board.

#### *Senior Management Appointment and Review*

- The Committee shall annually review and recommend to the Board the individual and corporate performance goals and objectives for the Chief Executive Officer and other members of Senior Management.
- The Committee shall review annually the Chief Executive Officer's assessment of the individual and corporate performance goals and objectives of the other Senior Management with the most consequential management authority as well as the Chief Executive Officer's assessment of their compensation within Centric's corporate policy and will recommend to the Board the appointments of Senior Management and their compensation arrangements.

#### *Non-Executive Director Compensation*

- The Committee shall annually review and recommend non-executive Director compensation, including without limitation any perquisites and other personal benefits provided by Centric to its Directors, taking into consideration the value of items such as meeting fees, retainer payments, and incentive awards at comparable companies. The Committee may consider such other factors as it deems necessary or advisable in recommending to the Board non-executive Director compensation.

#### *Human Resources*

- The Committee shall oversee all matters relating to proper utilization of human resources within Centric and its affiliates with special focus on Senior Management succession, development and compensation.

#### *General Oversight of the Board and its Effectiveness*

- In carrying out its responsibilities the Committee shall:
  - a. Establish position descriptions for the Board chair and the chairs of Board and update same as required.
  - b. Develop or assist in maintaining an orientation program for new Directors.
  - c. Consider requests by Directors to engage outside advisors at Centric's expense with respect to matters before the Board or any Committee of the Board.
- The Committee shall establish procedures to exercise oversight of the evaluation of the Board, Committees of the Board, and the individual Directors. The Committee shall review and as necessary make recommendations to the Board at least annually with

respect to such items as:

- a. An appropriate number of Directors to comprise the Board with a view to facilitating effective decision making and achieving an appropriate composition of independent directors;
- b. The performance of an annual recommendation to the Board for the election of the chair of the Board;
- c. Identification of individuals qualified to become Directors and, as applicable, recommended to the Board new Director nominees to be proposed for election at each annual general meeting of shareholders of Centric;
- d. The effectiveness of the Board, including in respect of conflicts of interest, self-dealing and compliance with the Code of Conduct and continuing qualifications of members of the Board; and
- e. The facilitation of discussions among independent Directors.

*General Oversight of the Composition of Board Committees*

- The Committee shall establish and recommend to the Board criteria for Directors to be appointed to committees of the Board based on independence, specialized skills including accounting and financial knowledge, other relevant experience, and leadership abilities.
- The Committee may recommend for Board approval the removal of a Director from a Committee of the Board if the Director is no longer qualified to serve as a Director or member of a Committee of the Board under applicable law or for any other reason the Committee considers appropriate.

*Corporate Governance*

- The Committee shall review at least annually corporate governance practices and recommend such new and/or amended policies, practices and procedures as the Committee determines to be necessary or appropriate.
- The Committee shall review at least annually the adequacy and effectiveness of the Board's governance policies and make appropriate recommendations for the improvement of these policies.
- The Committee shall review the corporate governance sections of each Management Information Circular of Centric prior to same being distributed to shareholders.
- The Committee shall assess all shareholder proposals as necessary to determine whether such proposals should be included in the applicable Management Information Circular of Centric, and make appropriate recommendations to the Board.

- The Committee shall review annually the Delegation of Authority Policy, including the authority limits and individuals to whom authority has been delegated, and recommend any changes to the Board.
- The Committee shall review the Board Charter on an annual basis and recommend any changes to the Board.
- The Committee shall review the Majority Voting Policy on an annual basis and recommend any changes to the Board.

#### *Investor Relations*

- The Committee shall oversee Centric's investor relations and public relations activities and procedures for the effective monitoring of the shareholder base, receipt of shareholder feedback and response to shareholder concerns.

#### *Code of Conduct, Respect in the Workplace and Whistleblower Policies*

- The Committee shall review Centric's Code of Business Conduct, Respect in the Workplace Policy and Whistleblower Policies, as such policies may be amended or superseded from time to time, on an annual basis and recommend any changes to the Board.

#### *Related Party Transactions*

- The Committee shall review and approve annually policies and procedures for compliance with applicable laws dealing with related party transactions and assess the effectiveness of such policies and procedures. The Committee shall ensure that any related party transaction involving Centric is brought to the attention of the Board for its consideration.

#### *Complaints*

- The Committee shall receive notice of complaints and allegations related to Centric's business, as reported under the Code of Conduct or Respect in the Workplace Policy, from Senior Management, and shall review the resolution of all such material complaints and allegations with Senior Management. The Committee will not deal with any complaints under the Whistleblower Policy or otherwise regarding auditing matters for which the Audit Committee is responsible.

#### *Legislative Compliance*

- The Committee shall annually review the effectiveness of Centric's system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or

non-compliance.

- The Committee shall obtain regular updates from Senior Management regarding compliance matters affecting the Committee or its responsibilities.
- The Committee shall review the findings of any examinations by relevant regulatory authorities.
- The Committee shall annually satisfy itself that Centric's procedures for legislative compliance are communicated in an appropriate manner to Centric's employees and third parties as determined by the Committee and receive confirmation of such from Senior Management.

#### *Quality and Performance Measurement*

- The Committee shall review and approve the content and format of the organization wide quality dashboard and key performance indicators.
- The Committee shall establish priorities for quality and safety initiatives that emphasize improving customer safety while decreasing resource consumption and cost.
- The Committee shall maintain awareness of external factors influencing the direction of quality improvement and reporting like.
- The Committee shall benchmark with other provider organizations as necessary to broaden insight into innovation in quality improvement.

#### *Risk Identification and Mitigation*

- The Committee shall oversee Senior Management's development, implementation and integration of an enterprise-wide risk management framework, including but not limited to a risk policy, a risk profile, an assessment of risk tolerance, and risk measurement and management strategies, to identify, manage and report on existing and potential risks.
- The Committee shall make recommendations to the Board concerning appropriate levels of risk tolerance and ensure that risks are managed within the levels of tolerance approved by the Board.

#### *Conflicts Of Interest*

- The Committee shall annually review procedures established by the Board to resolve conflicts of interests, including techniques for the identification of potential conflict situations, and for restricting the use of confidential information.

### *Succession & Review*

- The Committee shall annually review succession and leadership plans and make appropriate recommendations to the Board regarding the appointment and succession of Centric's Senior Management including the Chief Executive Officer. The Committee shall exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein as determined by the Chair and/or as may from time to time be delegated to the Committee by the Board.

### **Procedure**

#### *Membership*

- The appointment of members of the Committee shall take place annually at the first meeting of the Board after each Annual General Meeting of shareholders of Centric at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed. The Board may appoint any qualified Director to fill any vacancy which occurs in the Committee between annual elections of Directors. Members of the Committee shall serve at the pleasure of the Board for such term or terms as the Board may determine. Any member of the Committee may be removed from the Committee by a resolution of the Board. Unless the Board determines otherwise all replacements shall be made on recommendation of the Committee.

#### *Committee Meetings*

- The time and place of the meetings of the Committee and the calling of meetings and the procedure at such meetings shall be determined by the Committee, provided, however, that the Committee shall meet on at least a quarterly basis. Each Committee member shall receive 48 hours' notice of any meeting of the Committee, unless such member waives such notice requirement.
- The quorum of the Committee shall be a majority of its members. The Committee shall have unrestricted access to Senior Management and employees of Centric.
- The Corporate Secretary, or his or her designate, shall act as secretary at Committee meetings. Minutes of the Committee meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Committee for approval.

#### *Regular Reporting*

- The Chair shall report to the Board on material matters arising at Committee meetings and shall present the Committee's recommendation(s) to the Board for the Board's approval.



### *Annual Evaluation*

- The Committee shall, on an annual basis (i) review and assess the adequacy of this Charter and, where necessary, recommend changes to the Board for its approval, (ii) undertake a performance evaluation of the Committee comparing the performance of the Committee with the requirements of this Charter, and (iii) report the results of the performance evaluation to the Board. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or as designated by the Chair or Committee to make such report.

### *Committee Authority*

- The Committee shall have the authority to obtain assistance from internal or outside legal, accounting or other advisors as it may deem necessary or advisable for its purposes and to establish the terms of the retainer. The Committee shall also have the authority to retain any compensation consultant to be used to assist in the independent evaluation of Senior Management compensation, including the authority to approve the consultant's fees and other retention terms. The expenses related to any such engagement shall be paid by Centric.
- The Committee may create one or more subcommittees and may delegate, in its discretion, all or a portion of its duties and responsibilities to such subcommittees.
- The Committee shall have the authority to make recommendations to the Board but shall have no decision-making authority other than as specifically contemplated in this Charter.

### *Remuneration of Committee Members*

- Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time and which shall be consistent with Centric's approved fee policy as it applies to non-executive Directors.
- Unless approved by the Board and specifically disclosed in the annual Management Information Circular of Centric:
  - No member of the Committee may earn fees from Centric or any of its affiliates other than fees (which fees may include cash and/or securities or options or units or other in-kind consideration ordinarily available to Directors of Centric, as well as all of the regular benefits that Directors of Centric are entitled to receive, in accordance with Centric's applicable policy as it applies to non-executive Directors) for acting as members of the Board and members of committees of the Board; and
  - Unless approved by the Board and appropriately declared, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from Centric or any of its affiliates.

**Approval Date**

This Charter was approved by the Board on [**June 18, 2019**].