

Attendees:

(P) Pardeep Singh Gill	(P) Susan Britton Payne	(P) Nolan Bederman	(P) Winston Young
(P) Elsa Cabral	(R) Michael Torrance	(P) Dr. Frank Martino	(P) Dr. Greg Rutledge
(P) Dr. Victor Ng	(P) Melissa Carvalho	(P) Manny Satija	(P) Dr. Prashant Phalpher
(P) Ben D'Souza	(P) Tiziana Rivera	(P) Connie Stefankiewicz	(R) Dr. Yasir Karani
(R) Chris Loreto	(R) Linda Franklin		

Guests:

Mary Jane McNally	Kiki Ferrari	Florine Lobo	Cara Francis
Kelly Kimens	Ken Mayhew	Kelsi Rousseau	Richard Simm (KPMG)
Kathy Frlan (Resource)	Sarbjit Dheri	Marco Deiana	Deepak Sharma
Saleem Chattergoon	Nikita Thakkar	Andreea Popescu	David Stankiewicz

1.0 Call to Order

The Chair welcomed everyone to the virtual meeting. The meeting was called to order once quorum was achieved.

1.1 Declaration of Conflicts

The following Board Directors declared conflicts of interest:

- Chair, Pardeep Singh Gill is a partner at KPMG and shared that he was not involved in the company's work with Osler. He also noted a conflict regarding the Hospital Information System financing approval.
- Melissa Carvalho, an elected Board Member, declared a conflict related to the Hospital Information System Financing Approval. Consequently, both recused themselves from participating in the discussion and voting on this item. No additional conflicts were declared by other members.

1.2 Approval of Agenda

The agenda was tabled for approval; there were no additions or revisions to the agenda.

Moved, seconded

That the agenda be approved as presented – CARRIED.

1.3 Report of the Chair

The Chair highlighted the strong community engagement and positive reception of previous fundraising events, demonstrating the trust and support of the community. While expressing disappointment over the necessary cancellation of the highly anticipated Benefit Gala, the Chair emphasized the resilience and adaptability of the organization in overcoming challenges. Attention was drawn to an upcoming fundraising event, the Endless Giving Gala, which previously supported Sick Kids but through the dedicated efforts of individuals such as Ken and the mayor has transitioned this year to benefit Osler. The Chair noted the widespread media and social media attention surrounding the event, with overwhelming positive responses

from the community. The Gala is viewed as a significant opportunity to reconnect with supports, which sustains the organization's momentum and further its initiatives.

1.4 Ethical Decision-Making Framework

The Chair reminded Board members of the Ethical Decision-Making Framework that was included in the package for reference, which provides a standardized approach when making decisions particularly when ethical issues arise.

2.0 Consent Agenda

The Consent Agenda was tabled for approval. There were no changes to the Consent Agenda.

- 2.1 Board of Directors Meeting Minutes (October 30, 2024)
- 2.2 Annual Board of Directors Work Plan (2024-25)
- 2.3 MAC Resolutions (November 13, 2024) and MAC Minutes (October 9, 2024)
- 2.4 Health Services & Quality Committee Minutes (October 9, 2024)
- 2.5 Governance & HR Committee Minutes (October 10, 2024)
- 2.6 Resources & Audit Committee Minutes (October 16, 2024)
- 2.7 Executive Committee Minutes (October 15, 2024)
- 2.8 Enterprise Risk Management Update

Moved, seconded

That the items listed within the Consent Agenda be approved as presented – CARRIED.

3.0 Management Reports

3.1 Report of the President and CEO

The President and CEO provided brief remarks to supplement the written materials that were pre-circulated to the Board. He provided an update on recent organizational priorities, achievements, and challenges. A key highlight was the success of Celebrate Research Week, held from November 18-22, which showcased Osler's innovation and academic excellence. The event marked the official launch of the Osler Research Institute for Health Innovation (ORIH) and featured collaborative sessions with community and academic partners, including Toronto Metropolitan University (TMU). Board Members who attended the week's events shared personal reflections as part of the Board of Directors' Living the Vision program, reinforcing the pride that Board Members have as ambassadors of Osler and the impact that Osler has in the research community.

The President and CEO also addressed a patient experience matter that garnered significant media attention in the recent weeks. He reassured the Board that management was taking the issue seriously and emphasized the organization's commitment to improving its services in the time ahead. Due to confidentiality, this update will be provided to the Board of Directors during the In-Camera Session.

This initiative reinforced Osler's commitment to advancing healthcare research and strengthening its academic reputation. The President and CEO also addressed Osler's ongoing partnership with Toronto Metropolitan University (TMU) and its efforts to expand academic opportunities through its School of Medicine (SoM). Dr.

Martino highlighted the progress of TMU's newly accredited medical program, which is set to launch its inaugural class in September 2025. Over 5,000 applications were received for the 94 spots which demonstrates the enthusiasm in the learner community about the upcoming SoM. While Osler is not involved in the admissions process, Osler is confident in TMU's commitment to building a medical workforce that meets the needs of Osler's diverse and rapidly growing region.

In addition, the President and CEO highlighted the impact of recent external labour disruptions on Osler including the cancellation of the annual Benefit Concert Gala event. Despite these setbacks, the Osler Foundation celebrated significant achievements, notably a transformative \$12M donation from Greenpark, which is the second largest donation in the history of Osler Foundation. This generous contribution reflects the community's steadfast support and confidence in Osler's mission. Dr. Martino shared that Osler and the Osler Foundation will be celebrating the 100th year anniversary of Peel Memorial in early 2025 which will include exciting events for the community in the time ahead. The report concluded with a brief update on the modernization of Osler's Hospital Information System (HIS) noting that a contract is anticipated to be approved in the short time ahead. He thanked David Stankiewicz, Florine Lobo, Marco Deiana and the HIS Project Team for their leadership and work to move this important initiative forward. Board Members had an opportunity to ask clarification questions and thanked Dr. Martino for the report.

3.2 Report of the Chief of Staff

The Chief of Staff provided brief remarks to supplement the report that was pre-circulated to the Board. The update highlighted key initiatives related to physician engagement, academic advancements, and health system leadership within the region. Osler is collaborating with one of its peer hospitals that is experiencing challenges with physician coverage; leveraging its size and workforce to address gaps in the system and supporting patients in neighboring communities. The results of the recent physician engagement survey show an improved response rate compared to previous years which reflects a growing sense of involvement and collaboration among medical staff as well as a positive impact from efforts to encourage greater participation in this year's process.

Additionally, the Chief of Staff updated the Board on advancements in academic integration, particularly through Osler's partnerships with Toronto Metropolitan University (TMU) and how Osler's physicians are anticipating the initial cohort of students that are expected to start in July 2025.

Furthermore, the issue of uninsured patients was discussed briefly and how Osler continues to support physicians and staff with addressing ongoing challenges in a way that addresses the concerns of physicians and provides care to patients that need it. Board Members discussed the impact of government direction with respect to international students on learners coming to the SoM. Management clarified that the government remains committed to the success of the SoM and the policy changes will have minimal if any impact on Osler's nursing complement and other allied health professionals in the short-term. Management continues to monitor impacts on health human resources programs as a result of the narrowing of offerings and has not observed any impacts thus far. Moreover, it is anticipated that there will be an expansion in medical school

capacity in the short term ahead. The Chair thanked the Chief of Staff for the report. Prashant Phalpher joined the meeting.

3.3 Patient Voice

The Chair provided introductory remarks about the importance of highlighting patient stories at the Board level, particularly positive ones. The EVP and Chief Clinical Officer introduced Mary Jane McNally, Chief Patient Experience Officer to lead the *Patient Voice* initiative, a quarterly agenda item designed to showcase how Osler incorporates patient perspectives into care delivery and governance. The presentation highlighted key themes from patient feedback, including communication, timeliness of care, and the importance of empathy in interactions. Management emphasized that these insights are essential for fostering a culture of compassion and patient-centeredness across the organizations in alignment with Accreditation Canada Governance Standards. A patient letter thanking Osler's team for the care that he received and the impact it had on his experience and recovery. Board Members commended management for its commitment to patient-centered care and enquired about the linkage to Accreditation Canada standards. Management provided insights into a new certification related to people-centredness which Osler is applying for; the evidence required to achieve this certification will be provided by leaders and clinicians providing the care to patients. The Chair thanked the EVP and Chief Clinical Officer and Chief Patient Experience Officer for the presentation and valuable insights into the patient perspective. Mary Jane McNally left the meeting.

4.0 Committee Chair Reports

4.1 Health Services & Quality Committee

Deepak Sharma, Vice President, Strategy & Organizational Performance, Saleem Chattergoon, AVP of Transformation and Strategy, Nikita Thakkar, Strategy Consultant and Andreea Popescu, Director of Operational Performance joined the meeting. The Committee Chair, Manny Satija, provided brief verbal remarks to introduce the report which was pre-circulated to the Board. The Committee Chair elaborated on the Strategic Implementation Plan and invited management to review some key slides that were circulated. Management presented the proposed Balanced Scorecard for 2024-2025, outlining ten key indicators to monitor organizational performance. These indicators align with the strategic objectives and will be reviewed annually by the Health Services & Quality Committee to ensure they remain relevant and actionable. A brief discussion took place to ensuring resource availability for implementation, maintaining alignment with evolving community needs, and strategies for addressing potential barriers. Management assured the Board that the plan's phased approach allows for flexibility, with regular reviews to adapt to new challenges and opportunities. Board members were supportive of the recommendation and had no questions or concerns.

Moved, seconded

That the Board of Directors endorse the Going Beyond for our People and Communities – Year 1 & 2 Strategy Implementation Plan as recommended by the Health Services & Quality Committee – CARRIED.

Moved, seconded

That the Board of Directors approve the Balanced Scorecard targets for 2024/25 as recommended by the Health Services & Quality Committee – CARRIED.

The Committee Chair presented the Osler Research Institute for Health Innovation (ORIH) Strategic Plan, highlighting its alignment with Osler's academic and clinical priorities. Board members reviewed the plan's key elements including its phased implementation, proposed governance structure and measurable objectives. There was a brief discussion emphasizing the importance of integrating research activities with clinical operations and leveraging partnerships to enhance academic contributions. Board members inquired about resource allocation, timelines for implementation and strategies for tracking progress against the plan's ambitious goals. Management responded by outlining a phased implementation approach, ensuring progress assessments to track the plan's ambitious goals. There were no concerns with the recommendation presented to the Board for approval.

Moved, seconded

That the Board of Directors endorse the Strategic Plan for the Osler Research Institute for Health Innovation as recommended by the Health Services & Quality Committee – CARRIED.

The Committee Chair briefly shared the Q2 Quality Improvement Plan (QIP) progress report for 2024-25, showcasing progress against the targets outlined in the annual plan. Highlighted achievements in key performance areas, including patient safety and care delivery metrics. Successes included meeting or exceeding targets in areas such as patient satisfaction and reduction of wait times for certain procedures. There were no further questions or concerns from the Board. Deepak Sharma, Saleem Chattergoon, Nikita Thakkar and Andreea Popescu left the meeting.

4.2 Resource & Audit Committee

Marco Deiana, VP Legal Affairs and General Counsel, and Sarbjit Dheri, Deputy Chief Financial Officer, joined the meeting. The Committee Chair, Winston Young, reviewed the items in the pre-circulated report beginning with the Q1/Q2 Enterprise Risk Management update.

Moved, seconded

That the Board of Directors approve the Q1/Q2 Enterprise Risk Management (2024/25) update as recommended by the Resources & Audit Committee – CARRIED.

The Committee Chair presented the Q1/Q2 Financial Statements, which were pre-circulated to the Board. Board members had an opportunity to ask clarification questions about Bill 124 funding and how uninsured patients are accounted for, which were addressed by management. Overall, the Board expressed confidence in the organization's fiscal management.

Moved, seconded

That the Board of Directors approve the Q2 Financial Statements as recommended by the Resources & Audit Committee – CARRIED.

David Stankiewicz VP Digital Health and Chief Information & Privacy Officer joined the meeting. The Committee Chair introduced the Hospital Information System (HIS) initiative, which has been discussed comprehensively by the Committee. Management briefly reviewed key highlights from the pre-circulated presentation. Board members discussed the importance of securing top-tier support from Epic's implementation team and maintaining strong project controls and clear communication across departments. Management also shared that a Chief Medical Information Officer and a Chief Nursing Information Officer will be recruited and that change management supports will be provided in the months ahead. There were no concerns with the recommendations presented to the Board for approval.

Moved, seconded

As a result of the due diligence and negotiation activities set out above, the following motion is recommended by the Resources and Audit Committee for approval by the Board of Directors:

Whereas:

- ***The Board of Directors has reviewed the results of the HIS Request for Proposal procurement process, supported by the procurement, fairness, and legal advisors.***
- ***The Board of Directors also reviewed the negotiation results and final 10-year TCO for the HIS, with the capital cost of \$177M and incremental operating cost of \$159M for a combined TCO of \$336M.***
- ***Management provided the Board of Directors and Resources and Audit Committee with regular Request for Proposal procurement updates throughout the process.***

It is hereby resolved that:

- ***The Board of Directors approve to execute the contract (License and Support Agreement) with Epic Systems on substantially the same terms and conditions as presented to the Board of Directors; and***
- ***The Board of Directors approve of the final 10-year TCO of \$336M (capital cost of \$177M and incremental operating cost of \$159M); and***
- ***The Board of Directors approve management to initiate the implementation phase of the HIS project with the associated TCO***

CARRIED.

Richard Simm, KPMG, joined the meeting. Pardeep Singh Gill and Melissa Carvalho recused themselves from the meeting due to a conflict of interest. The Committee Chair presented the Hospital Information System (HIS) Financing Approval for discussion. Management presented the projected costs, funding sources and contingency measures. Richard Simm reviewed the key elements of the financing strategy and clarified questions from Board members regarding potential risks and mitigation strategies. The Board expressed support for the proposed financing approach.

Moved, seconded

That the Board of Directors approve the following terms as recommended by the Resources & Audit Committee:

To: The Royal Bank of Canada

- 1. William Osler Health System (the “Hospital”) is authorized to borrow in a principal amount of up to \$140,000,000 from the Royal Bank of Canada (the “Lender”) for the purpose of funding Health Information System capital expenditures, all pursuant to a credit agreement to be entered into between the Hospital and the Lender who are parties to the credit agreement (the “Credit Agreement”) on terms substantially and materially the same as those included in the report delivered to the Board on November 27, 2024 (and based on the Lender’s submission), and such additional terms and conditions as determined by any two (2) of the Chair, Vice-Chair, President & Chief Executive Officer, and Executive Vice President, Chief Operating Officer & Chief Financial Officer (each an “Authorized Officer” and collectively, the “Authorized Officers”).**
- 2. The Hospital is authorized to enter into hedging arrangements with the Lender pursuant to an ISDA 2002 Master Agreement to be entered into between the Lender and the Hospital (the “ISDA Master Agreement”) and the Schedule to the ISDA Master Agreement between the Lender and the Hospital (the “ISDA Schedule” and together with the ISDA Master Agreement, the “ISDA”) on such terms and conditions as determined by any two (2) Authorized Officers.**
- 3. The Hospital will retain the existing credit facilities pursuant to the agreement with the Lender dated October 8, 2024.**
- 4. The Hospital is authorized to enter into and perform its obligations under the Credit Agreement and ISDA and any two (2) of the Authorized Officers are authorized to execute (under corporate seal or otherwise) and deliver to the Lender on behalf of the Hospital all instruments, agreements, certificates, directions, acknowledgments, declarations, undertakings and other documents as may be required by the Lender or as, in an Authorized Officer’s opinion, may be necessary to complete and give effect to the transactions contemplated by the Credit Agreement, the ISDA and the other documents contemplated by this resolution**

CARRIED.

The Committee Chair thanked management and Richard Simm for his support in achieving this important milestone. Richard Simm left the meeting. Pardeep Singh Gill and Melissa Carvalho joined the meeting.

4.3 Governance & Human Resources Committee

The Committee Chair, Elsa Cabral, provided a brief update on the Committee’s recent activities, including Board succession planning and recruitment to address skill gaps and ensure a strong, diverse pipeline of candidates for the Board. Similar to previous years, Board members will be asked to consider individuals in their networks who possess the expertise that aligns with Osler’s strategic goals and commitment to inclusivity. More information will be shared with the Board in the time ahead. An update was provided regarding the work to refresh Osler’s Land Acknowledgement. Further revisions will be made by the working group which includes Board Member, Melissa Carvalho, prior to presenting the revised Land Acknowledgment to the Board for endorsement. The Chair thanked Elsa for the report.

5.0 In-Camera Session

The Board of Directors moved to an In-Camera Session.

Moved, seconded

That the Board of Directors move to an In-Camera Session - CARRIED.

6.0 Termination of Meeting

The Chair thanked everyone for their active engagement and terminated the meeting.

Moved, seconded

That the Board of Directors meeting be terminated – CARRIED.
