

**CHARTER OF THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
ENVISION HEALTHCARE CORPORATION**

Adopted on December 1, 2016

This Audit Committee Charter (the “Charter”) sets forth, among other things, the purpose, membership and duties and responsibilities of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Envision Healthcare Corporation (the “Corporation”).

**1. Purpose**

The purpose and responsibilities of the Committee shall be to assist the Board in fulfilling its oversight responsibilities relating to (a) the accounting, financial and external reporting policies and practices of the Corporation, (b) the quality and integrity of the Corporation’s financial statements, (c) the independence, qualifications and performance of the Corporation’s independent auditor (the “Independent Auditor”), (d) the performance of the Corporation’s internal audit and enterprise risk management function, (e) the preparation of the report of the Committee required to be included in the Corporation’s annual Proxy Statement under the rules of the Securities and Exchange Commission (“SEC”), (f) the Corporation’s compliance with other legal and regulatory requirements primarily relating to accounting, auditing, taxation or other financial matters, including without limitation any requirements promulgated by the Public Company Accounting Oversight Board (the “PCAOB”) and the Financial Accounting Standards Board and (g) the Corporation’s financing and capital allocation strategies, capital structure, financial policies, and financial condition. In order to ensure that the Committee is well informed regarding the Corporation’s compliance program, and compliance and quality matters, the Committee Chair shall coordinate and communicate directly with the Chair of the Board’s Compliance and Quality Committee (the “Compliance Committee”).

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation’s financial statements are complete and accurate, or are in accordance with generally accepted accounting principles (“GAAP”). The primary responsibility to plan and conduct audits is that of the Independent Auditor. Each member of the Committee shall be entitled to rely, to the maximum extent permitted under applicable law, on (a) the integrity of those persons and organizations within and outside the Corporation from which it receives information and (b) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board).

In discharging its duties under this Charter, the Committee shall have the authority, to the extent it deems necessary, to retain independent legal, accounting or other advisors. The Corporation shall provide appropriate funding, as determined by the Committee, for payment of compensation to the Independent Auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate for carrying out its duties. Any accounting, legal or other consultant retained by the Committee may, but need not, be, in the case of an outside accountant, the same accounting firm employed by the Corporation for the purpose of rendering or issuing an audit report on the Corporation's annual financial statements, or in the case of an outside legal or other advisor, otherwise engaged by the Corporation for any other purpose.

## **2. Membership**

The Committee shall consist of no fewer than four members of the Board, unless otherwise determined by the Board in accordance with the By-laws of the Corporation (the "By-laws"). The composition of the Committee shall be as set forth in the By-laws. The Committee members and any alternate members will be appointed by the Board on the recommendation of the Board's Nominating and Corporate Governance Committee and in accordance with the By-laws and may be removed by the Board in accordance with the By-laws. The Committee members and any alternate members shall serve for such term or terms as the Board may determine. The Committee Chair shall be appointed from among the Committee members by the Board in accordance with the By-laws. In order to ensure that the Committee is well informed regarding the Corporation's compliance program, and compliance and quality matters, the Committee's membership shall include at least one member of the Board who serves concurrently on the Compliance Committee.

Each member of the Committee shall satisfy the independence requirements relating to directors and audit committee members (a) of the New York Stock Exchange ("NYSE") and (b) under Section 10A(m) of the Securities Exchange Act of 1934 (the "Exchange Act") and any related rules and regulations promulgated thereunder by the SEC. Each member of the Committee shall be financially literate, as such qualification is interpreted by the Board in its business judgment, or must become financially literate within a reasonable period of time after appointment to the Committee. In addition, at least one member of the Committee shall qualify as an audit committee financial expert, as such qualification is interpreted by the Board in its business judgment.

No member may serve on the Committee if such member simultaneously serves on the audit committee of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

The Committee may form, and delegate any of its power or authority to, one or more subcommittees only if so authorized by the Board; provided, however, that no subcommittee shall consist of fewer than two Committee members and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

### **3. Meetings**

Regular meetings of the Committee shall be held on such dates and at such times and places as are determined from time to time by the Committee. Special meetings of the Committee shall be held whenever called by the Chairman of the Board of the Corporation, the Committee Chair or the Chief Executive Officer of the Corporation or, in the event of the absence or disability of the Chairman of the Board of the Corporation, the Committee Chair and the Chief Executive Officer of the Corporation, by the Secretary of the Corporation, or by one-third of the Committee members then in office, at such place, date and time as may be specified in the respective notices or waivers of notice of such meetings. Special meetings of the Committee may also be called by resolution of the Board. Any business may be conducted at a special meeting. All Committee meetings may be held telephonically. A quorum for the Committee shall be a majority of its members, unless the Committee has only one or two members, in which case a quorum shall be one member, or unless a greater quorum requirement is established by the Board. The vote of a majority of the Committee members present at a meeting at which a quorum is present shall be the act of the Committee. The Committee shall keep regular minutes of its meetings and report to the Board when required.

The Committee may request that any officer or employee of the Corporation or any representative of the Corporation's outside counsel or other advisors attend any meetings of the Committee (or any portions thereof) or meet with any members or representatives of the Committee, and may provide to such persons such information as the Committee deems necessary or advisable.

The Committee shall meet in separate executive sessions with members of management of the Corporation, internal auditors and the Independent Auditor periodically as needed. The Committee Chair shall supervise the conduct of the meetings and shall have such other responsibilities as set forth herein or as the Committee may determine from time to time.

### **4. Responsibilities**

The Committee's duties and responsibilities shall include the matters enumerated below, as well as such other matters as may be delegated to the Committee by the Board from time to time.

#### *Financial Reporting and Disclosure Responsibilities*

- (a) Review any issues that arise with respect to the quality or integrity of the Corporation's financial statements.
- (b) Review and discuss with management and the Independent Auditor any significant additions or changes to the Corporation's existing policies, principles or practices as they apply to auditing, accounting, financial reporting, external reporting and asset-safeguarding.
- (c) Review the Corporation's earnings press releases prior to their issuance, as well as any financial information and earnings guidance provided to analysts and ratings agencies.
- (d) Review and discuss with management and the Independent Auditor quarterly, unaudited financial statements, including disclosures made in "Management's Discussion and Analysis of Financial Condition and Results of Operations," major underlying issues and the results of the Independent Auditor's review prior to filing each Form 10-Q (if any such filing is required), and determine whether such information should be distributed to the stockholders, bondholders or lenders.
- (e) Review and discuss with management and the Independent Auditor annual audited financial statements, including disclosures made in "Management's Discussion and Analysis of Financial Condition and Results of Operations," and major underlying issues, and recommend to the Board whether such audited financial statements should be distributed to the stockholders, bondholders and lenders, and included with the Corporation's Form 10-K, if applicable.
- (f) In the event that the Corporation publishes one, review the "Report of Management" in the Annual Report to Stockholders.
- (g) Prepare, review and approve the "Report of Audit Committee" and its inclusion in any other document, including in the Annual Report to Stockholders and in the annual Proxy Statement; and review and discuss with the Corporation's Compensation Committee compensation-related disclosures in the annual Proxy Statement or otherwise.
- (h) Receive information from management about any significant deficiencies or material weaknesses in the design or operation of internal controls that could adversely affect the Corporation's ability to record, process, summarize and report financial data and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls.

- (i) Review and discuss quarterly reports from the Independent Auditor on all critical accounting policies and practices to be used; the quality of the Corporation's accounting policies, including the application of the Corporation's accounting policies; all matters required to be communicated to the Committee under GAAP; all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the Independent Auditor; and other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences.
- (j) Discuss with management and the Independent Auditor significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- (k) Review and discuss with management and the Independent Auditor management's internal control report prepared in accordance with rules promulgated by the SEC pursuant to Section 404 of the Sarbanes-Oxley Act.
- (l) Discuss with management and the Independent Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures (if any) on the Corporation's financial statements.

*Responsibilities for Oversight of Independent Auditor*

- (a) Possess sole responsibility for the appointment or replacement (subject, if applicable, to stockholder ratification), retention, termination, compensation, evaluation and oversight of the work of the Independent Auditor (including resolution of disagreements between management and the Independent Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Corporation. The Independent Auditor shall report directly to the Committee.
- (b) Review the proposed audit scope, approach and staffing, including coordination of the audit effort with the internal audit.
- (c) Review the conduct and results of the audit of the consolidated financial statements and, at least annually, discuss with the Independent Auditor, out of the presence of management if deemed appropriate, the audit process, including, without limitation, (i) problems or difficulties and management's response, (ii) any problems or difficulties encountered in the course of the performance of the audit, (iii) any restrictions on the Independent Auditor's activities, audit scope or access to requested information, and (iv) management's response thereto, and any significant disagreements with management.
- (d) Review and evaluate the lead partner of the independent audit team, and ensure proper rotation of audit partner, lead partner and concurring partner. Consider whether it is appropriate to adopt a policy of rotating the independent auditing firm.
- (e) Obtain and review a report from the Independent Auditor at least annually detailing: (i) the Independent Auditor's internal quality-control review, or peer review, and obtain any response from management or corrective action plan; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; (iii) any publicly available reports issued within the past five years by the PCAOB or other governmental or professional authorities concerning the Independent Auditor; (iv) any PCAOB review of the Independent Auditor, or any inquiry or investigation by governmental or professional authorities within the past five years of the Independent Auditor, and any steps taken to deal with such issues; and (v) all relationships between the Independent

Auditor and the Corporation consistent with the applicable requirements of the PCAOB.

- (f) Actively engage in a dialogue with the Independent Auditor regarding any disclosed relationships or services that may impact the objectivity and independence of the Independent Auditor. Evaluate the qualifications, performance and independence of the Independent Auditor, including considering whether the Independent Auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the Independent Auditor's independence, taking into account the opinions of management and internal auditors. The Committee shall present its conclusions with respect to the performance of the Independent Auditor to the Board.
- (g) Pre-approve all auditing and, subject to the de minimis exception of Section 10A(i) of the Exchange Act and the SEC rules promulgated thereunder, all permitted non-audit services performed by the Corporation's Independent Auditor; provided, however, that the Committee may delegate pre-approval authority to committees of one or more of its independent members, who must then provide a report to the full Committee at its next scheduled meeting. When pre-approving non-audit services by the Independent Auditor, the Committee shall consider whether their provision is consistent with maintaining the Independent Auditor's independence.
- (h) Review periodic reports from management and the Independent Auditor regarding the Independent Auditor's independence (including the Independent Auditor's fees billed for audit services, audit-related fees, tax fees, and all other non-audit services, respectively, for each fiscal year), discuss such reports with the auditor, and if so determined by the Committee, recommend that the Board take appropriate action regarding the independence of the Independent Auditor.
- (i) Confirm that none of the audit partners earn or receive compensation based on procuring engagements with the Corporation for providing products or services, other than audit review or attest services.
- (j) As appropriate, discuss with the national office of the Independent Auditor issues on which they were consulted by the Corporation's audit team and matters of audit quality and consistency.
- (k) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by

employees of the Corporation of concerns regarding questionable accounting, internal controls or auditing matters.

- (l) Review with management and the Independent Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Corporation's financial statements or accounting policies.
- (m) Establish policies for the Corporation's hiring of employees or former employees of the Independent Auditor who participated in any capacity in the audit of the Corporation to ensure the Independent Auditor's independence under the SEC rules.
- (n) Review and discuss with the Chief Executive Officer and President and Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and President and Chief Financial Officer certifications in periodic reports, including their evaluation of the Corporation's disclosure controls and procedures and internal controls.
- (o) Obtain annually assurance, if necessary or deemed advisable by the Committee, from the Independent Auditor that the audit was conducted in a manner consistent with Section 10A of the Exchange Act.
- (p) Discuss with the Independent Auditor, out of the presence of management if deemed appropriate, the matters required to be communicated to audit committees in accordance with the auditing standards of the PCAOB as they may be modified or supplemented, relating to the conduct of the audit, including under Auditing Standard No. 16.

*Responsibilities for Oversight of Internal Audit*

- (a) Review and discuss with management the Corporation's risk assessment and risk management process and policies, the results of the annual corporate-wide risk assessment and the related corporate guidelines and policies and commitment of internal audit resources. Such discussions should occur quarterly and include the Corporation's material financial and accounting risk exposures and the actions management has taken to control them.
- (b) Discuss with the Independent Auditor and management the internal audit department responsibilities, performance, budget and staffing.
- (c) Review the appointment, replacement or dismissal of senior internal audit personnel.



- (d) Review completed internal audit results and management's response at each meeting. The internal auditors shall report directly to the Committee.
- (e) Periodically review internal audit policies.

*Finance Oversight Responsibilities*

- (a) Review and recommend to the Board financial policies and performance objectives as developed by management pertaining to: earnings growth and return on equity; debt ratio, coverage, cash flow and credit rating; dividend policy; investment criteria, including capital investment hurdle rates; and financial risk management strategies, including the use of derivatives.
- (b) Review changes to the capital structure of the Corporation, including: timing and maturities of debt, terms of interest rates; and considerations on common stock sales, repurchases or splits as appropriate and any changes in dividends.
- (c) Review banking relationships and lines of credit.
- (d) Review the adequacy of insurance coverage on the Corporation's assets.
- (e) Review tax strategies and potential tax law changes.
- (f) Review, as appropriate, the financial impact to the Corporation of employee benefit plans such as pension plans, ESOPs, 401Ks and Employee Stock Purchase plans.
- (g) Review annually the business plan prepared by senior management from the perspective of funds flow, capital spending and financing requirements.
- (h) Review and evaluate consummated acquisitions, joint ventures, partnerships, strategic investments, significant capital spending projects or similar initiatives, in each case, of the Corporation or any of its subsidiaries.
- (i) Report periodically to the Board on all financing related matters for which the Committee has been delegated responsibility.

*Other Responsibilities*

- (a) Report regularly to the full Board on all matters charged to the responsibility of the Committee.
- (b) Review an annual report of the General Counsel on the results of the Corporation's conflict of interest survey.
- (c) Regularly review reports of the General Counsel on pending or threatened litigation relating to accounting, auditing, taxation or other financial matters, including any material reports or inquiries received by the Corporation from regulators or governmental agencies, and other matters, including the scope and effectiveness of compliance policies and programs.
- (d) Discuss with management any pending or threatened litigation, claim or assessment involving potential losses (or gains) as to which the expected effect on the consolidated financial statements may be material.
- (e) Periodically review the annual agenda of the Committee to assess whether the Committee is addressing all material matters related to its responsibilities delegated from the Board.
- (f) Review and approve all Related Person Transactions, as defined in the Corporation's Related Person Transaction Policy, in accordance with the provisions of such policy.

The Committee shall report its actions and any recommendations to the Board after each Committee meeting.

The Committee may consider other matters and engage in other activities in furtherance of fulfilling the purpose and responsibilities described in Section 1 hereof as the Committee or the Board may deem appropriate.

## **5. Annual Performance Evaluation**

At least annually, the Committee shall perform a review and evaluation of the performance of the Committee and its members, including a review of the Committee's compliance with this Charter, and present to the Board a report of such annual performance evaluation. The Committee shall periodically reassess the adequacy of this Charter and recommend to the Board any proposed changes and improvements to this Charter that the Committee deems appropriate.

## **6. Investigations and Studies; Outside Advisers; Support**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may, in its sole discretion, retain, at the Corporation's expense, after taking appropriate steps to ensure the absence of any conflicts of interest, such independent counsel or other advisers as it deems necessary. At the request of the Committee, the Corporation shall provide the Committee with an appropriate level of staff and support to allow the Committee to function appropriately. In fulfilling its responsibilities, the Committee shall have full access to all of the Corporation's books, records, facilities, personnel and outside advisors.

## **7. Miscellaneous**

While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under the applicable laws of Delaware. Furthermore, nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Corporation or members of the Committee. Except as otherwise required by laws, rules and regulations applicable to the Committee, the purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules, and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities. This Charter is intended to be consistent with the Board's Corporate Governance Guidelines. This Charter is, and any amendments hereto will be, displayed on the Corporation's website and a printed copy will be made available to any stockholder of the Corporation upon request.