

BOARD CHARTER

North Island-Coast Development Initiative Trust (*doing business as* Island Coastal Economic Trust, “the Trust”)

FOREWORD

The vision, mission and values established by the board of directors guide our daily operations, longer term strategic planning and measurements of success:

OUR VISION

Island and coastal communities are thriving with a resilient economy that strengthens the wellbeing of all people and the environment.

OUR MISSION

To strategically invest in inclusive economic development, diversification, and innovation in partnership with communities across Vancouver Island, the Sunshine Coast, and islands and inlets from the Salish Sea to Cape Caution.

OUR VALUES

These values guide the governance and operation of the Trust:

- Trust and reciprocity
We foster high-trust, reciprocal relationships across our region.
- Compassion and collaboration
We achieve more together by embracing empathy and curiosity.
- Honesty and integrity
We conduct ourselves with uncompromising honesty and integrity.
- Learning and growing
We are always learning, embracing challenges with a growth mindset.
- Transparency and accountability
We are responsible for our actions and openly communicate our decisions.

We will pursue this mission through the responsible administration, investment, leverage and allocation of the funds entrusted to us by the Province of British Columbia and other partners.

The Trust was established under the [North Island-Coast Development Initiative Trust Act](#) (“the Act”) and its associated [North Island-Coast Development Initiative Trust Regions Regulation](#) (“the Regions Regulation”). Both the Act and Regions Regulation are amended from time to time by the Province of British Columbia. The Trust’s board of directors ensure that the governance and operations of the Trust are in compliance with both governing documents.

MEMBERSHIP

- i. In accordance with the Act, the board will consist of 13 directors, four of which are elected by the voting members of the North Island–Sunshine Coast Regional Advisory Committee, four of which are elected by the Central–South Island Regional Advisory Committee, and five of which are appointed through Order-in-Council by the Lt. Governor of British Columbia. The board shall be comprised of directors with a range of backgrounds and experience.
- ii. The composition of the board is guided by a director competency matrix. The board seeks to have gender balance and representation of: Indigenous people, individuals from equity-deserving groups, each sub-region within the Trust’s service region. In addition the board seeks to ensure specific skills, knowledge, and experience are included such as having one or more members with finance and accounting expertise (CPA designation).
- iii. The term of office of directors who are elected by the Regional Advisory Committees will be two years, and such directors do not have term limits.
- iv. The term of office of directors who are appointed through Order-in-Council by the Lt. Governor of British Columbia will be three years and such directors may be elected for up to three consecutive terms.
- v. Members of the Legislative Assembly of British Columbia are not eligible to serve as directors.

MEETINGS

- i. The board shall meet at least quarterly, with additional meetings at the discretion of the directors.
- ii. The board Chair will call a meeting of the board if so requested by six or more directors.
- iii. A quorum for all board meetings shall be seven directors.
- iv. To pass a resolution:
 - o If only seven directors are present, then unanimity is required;
 - o If more than six directors are present, then a simple majority is required;
 - o If only seven directors are present (meaning that quorum is met) and any are conflicted, the remaining directors may vote and unanimity is required.
- v. Notice period for a board meeting is a minimum of 5 business days. Preparatory documents will be available a minimum of 3 business days prior to the board meeting.

BOARD–DUTIES AND RESPONSIBILITIES

The board provides leadership with specific responsibility to:

- i. Select, assess, compensate, and (if necessary) replace the Chief Executive Officer and plan for Chief Executive Officer succession.
- ii. Oversee development of and approve a strategic plan, inclusive of annual reviews in accordance with the Act.
- iii. Oversee the Trust’s financial performance through:
 - o Review of investment portfolio performance;
 - o Approval of the Trust’s operating and capital budgets; and
 - o Review and approval of interim and year-end financial statements.

- iv. Working with management, identify the principal risks to the organization and ensure that systems to manage those risks are in place.
- v. Monitor the organization's performance against agreed goals and objectives.
- vi. Approve the Trust's material policies.
- vii. Approve major transactions.
- viii. Ensure compliance with the Act, governing documents, legal and regulatory requirements, and material policies.
- ix. Ensure that the organization has an appropriate communications strategy.
- x. Provide for the board's good management and on-going effectiveness, including the establishment of committees to assist the board, and a succession plan for the orderly turnover of directors. Nominate new directors to fill board vacancies.
- xi. Annually, review the Board Charter and assess the board's effectiveness in advancing the vision and mission of the Trust.

DIRECTORS—DUTIES AND RESPONSIBILITIES

The responsibilities of each member of the board include:

- i. Understanding and complying with their legal duties and obligations as a board member. In general, these include:
 - a. Acting in good faith and in the best interests of the Trust,
 - b. Acting with the care, skill and diligence of a reasonably prudent person, and
 - c. Complying with the Trust's Standards of Ethical Conduct for Directors; and
 - d. Keeping up to date with current governance issues and practices affecting directors.
- ii. Contributing to the definition and accomplishment of the Trust's strategies and objectives;
- iii. Understanding the Trust's activities, its strategic plans, the context in which the Trust operates, the risks and challenges involved in achieving its objectives, and the Trust's organizational structure and its culture and the board's oversight role of these issues;
- iv. Making best efforts to attend all board and committee meetings, participating actively in board and committee meetings, expressing their views frankly and fully, and being prepared to challenge management's assumptions and conclusions;
 - a. An annual calendar of scheduled board meetings will be prepared and discussed by the board during its third quarter meeting of each year (typically October or November) to allow directors to provide input on the board meeting calendar, to update their schedules, and to support planning and travel plans. Each director is expected to attend all meetings as scheduled. A record of attendance will be maintained for each director by the Manager, Programs and Corporate Affairs.
 - b. If a director cannot attend a scheduled meeting, the director shall advise the Chair and CEO, as appropriate, in writing at their earliest convenience of the director's unavailability and the reasons therefore. The director will then be acknowledged as absent with regrets in the minutes;
 - c. If a director does not provide due notice before a scheduled meeting, they will be noted as absent without cause;
 - d. If a director misses more than three consecutive board meetings, or has attended less than 50% of scheduled board meetings in any given year, the Chair will send a letter requesting confirmation

that the director is able and willing to continue in the full capacity of a director. If the director is appointed through Order-in-Council by the Lt. Governor, the Chair will provide a copy of the letter to the Crown Agencies and Board Resourcing Office;

- e. Video and/or telephone conferencing will be available for directors unable to attend a regular board meeting, special board meeting, or committee meeting in person. However, participation in-person whenever possible is strongly encouraged.
- v. As appropriate, communicating privately and constructively with the Chair and/or the CEO between meetings;
- vi. Applying their special skills, expertise and knowledge to provide a unique contribution to the board's overall performance; and
- vii. Ensuring sufficient and appropriate information is obtained and understood so that as a director, they are satisfied with the way the Trust is managed and that all decisions made are informed and appropriate and if not, that any dissension is properly recorded in the minutes of the meeting;.

Any director who believes that their ability to meet these expectations is at risk, or may appear to be at risk, shall advise the board Chair and together they will consider whether the director should offer to resign or take a leave of absence.

OFFICERS

The board will appoint a Chair, Vice-Chair, and Secretary-Treasurer and may appoint and remove such other board positions as it deems necessary and determine the duties, responsibilities and term, if any, of all board positions. The board officers are elected annually by the board.

The Officers of the Trust are the Chair of the board, the Vice-Chair of the board, the Secretary-Treasurer, the Chief Executive Officer, and the Chief Financial Officer.

The board may appoint other such officers as it deems necessary from time to time, with such powers, rights, duties, and responsibilities determined by the board.

BOARD CHAIR—DUTIES AND RESPONSIBILITIES

The board Chair, working with the Vice Chair, is responsible for managing board affairs and ensuring effective board performance with specific responsibility to:

- i. Manage effective meetings (establish agenda, control discussion appropriately, work towards consensus);
- ii. Foster the development of a board culture characterized by active and constructive board engagement, commitment to transparency, and commitment to practicing good governance;
- iii. Provide leadership to board development;
- iv. Manage conflicts of interest as well breaches or suspected breaches of the Standards of Ethical Conduct for Directors;
- v. Monitor board meeting attendance; the Chair will discuss capacity and strategy for effective participation on the board with any director that does not attend at least three regular meetings (75%) per year, or is absent for three consecutive meetings;
- vi. Build and maintain an effective working relationship with the CEO, and set a positive tone in the relationship between the board and staff;

- vii. Periodically review CEO performance and compensation;
- viii. Serve as a spokesperson for the board in conjunction with the CEO, who is the board-appointed media spokesperson for the Trust (per the Public Relations and Communication Policy). The Chair is the only director authorized to speak for the board, unless the Chair specifically delegates this duty to another director;
- ix. Periodically review board governance practices; and
- x. Recommend the criteria and potential candidates the board should consider when filling board vacancies.

VICE CHAIR—DUTIES AND RESPONSIBILITIES

The Vice-Chair assumes the duties of the Chair in their absence, and performs such other duties prescribed from time to time by the Board:

- i. Act on behalf of the Chair in the absence of the Chair, in chairing all meetings of the Board, unless this responsibility is otherwise delegated;
- ii. When chairing meetings, manage effective meetings (establish agenda, control discussion appropriately, work towards consensus);
- iii. Assist the Chair in providing leadership to board development;
- iv. Assist the Chair in carrying out the Chair's responsibilities when the Chair is unable or unavailable, including serving as a spokesperson for the Trust if the Chair is not available to speak as the spokesperson.
- v. Serve as an officer of the Trust with signing authority

SECRETARY—TREASURER—DUTIES AND RESPONSIBILITIES

The Secretary-Treasurer will be responsible for ensuring that necessary arrangements are made for:

- i. The effective management of the finances of the Trust in accordance with the Act, regulations, and policies that guide and govern the Trust;
- ii. Issuance of notices of meetings and keeping of minutes of all meetings of the Trust's board;
- iii. Custody of all records and documents of the Trust;
- iv. Keeping of accounting records and such other financial records as are necessary to comply with the Trust's Act and the Income Tax Act; and
- v. Working in conjunction with the CFO to ensure the completion of an annual audit and required tax forms;
- vi. Ensuring the development, implementation and periodic review of financial policies and procedures;
- vii. Rendering of financial statements to the directors, Government of British Columbia, and others when required.

COMMITTEES

To assist the board in fulfilling its duties and responsibilities, it has established the following committees:

- i. Executive Committee (standing committee);
- ii. Director Recruitment and Nomination Committee (ad hoc committee);

The Board may create such standing and special committees as from time to time may be required; however, the Bylaws require the establishment of an Executive Committee.

DIVISION OF RESPONSIBILITY BETWEEN THE BOARD AND SENIOR MANAGEMENT

The Board is responsible for setting the strategic direction of the Trust, establishing goals and objectives for management and monitoring the achievement of these goals and objectives.

The CEO is responsible to the board for the day-to-day management of the Trust with all powers, discretions and delegations authorized, from time to time by the board.

Approved by the board of directors on 25 October 2024.