

**1 Purpose**

1.1 Governance is the set of principles and processes that direct and control the Columbia Basin Trust (the Trust) and all Trust subsidiaries.

Governance includes:

- The relationship between the Trust's Board of Directors, subsidiary Boards of Directors, management, stakeholders (Basin residents) and the Trust's shareholder (the Province);
- The division of responsibilities between the Trust's Board of Directors, subsidiary Boards of Directors, management, residents and the shareholder; and,
- The execution of responsibilities related to the Trust.

1.2 In order to carry out its mission on behalf of Basin residents and remain an accountable organization, the Trust is responsible for establishing and following sound governance principles and processes.

1.3 The Board of Directors is committed to effective and responsible governance. These policies and guidelines establish the Trust's governance framework, including principles and duties and responsibilities of the Board, its committees, senior management and subsidiary Boards.

**2 Trust Vision**

2.1 The Trust will work towards a long-term vision for the future of the Basin where:

- the Basin is a place where social, environmental and economic well-being is fostered.
- collaborative relationships and partnerships are established across the Basin, communities work together in a spirit of mutual support and respect for each other's differences, residents identify with a Basin culture and feel a sense of belonging to a Basin community, and residents are involved in community decision-making.
- a healthy environment is the basis for social and economic activities, and residents are committed to long-term and enduring stewardship of the Basin's natural resources.
- the economy of the Basin is diverse, resilient and energized; communities are responsive to both the needs of the present and the future; community enhancement initiatives are widely supported and residents share responsibility for their implementation; and practical and innovative investments in the Basin serve to increase the range of options for present and future generations.

2.2 The Trust will also be guided by a long-term vision of itself as a regional corporation having:

- a successful portfolio of investments in the Basin that help stimulate the regional economy and provide a reliable stream of income for use in the Trust's Delivery of Benefits activities.
- a proven track record in delivering social, economic and environmental benefits to the Basin and its residents.
- well-established and productive working relationships with others in the Basin whose activities relate to the Trust's mandate.
- consistent and widespread public support for the Trust's activities, based on meaningful public input, and the Trust's responsiveness to the needs of the Basin and its people.

### **3 Trust Mission**

3.1 The Trust supports efforts by the people of the Basin to create a legacy of social, economic and environmental well-being and to achieve greater self-sufficiency for present and future generations.

### **4 Trust Mandate**

4.1 The Trust is mandated under the *Columbia Basin Trust Act* to manage its assets for the ongoing economic, environmental and social benefit of the region, without relieving governments of any obligations in the region. The Trust is also mandated under the *Columbia Basin Management Plan* to include the people of the Basin in planning for the management of the assets and to work with others to coordinate activities related to the purpose of the Trust.

### **5 Principles**

5.1 In governing the Trust, the Board of Directors is committed to upholding the core values of the Trust established in the *Columbia Basin Management Plan*, and is also committed to acting in accordance with the following principles:

#### **Preparation**

Directors will ensure they are fully prepared to address the business of the Trust.

#### **Transparency**

To the greatest extent possible, the actions and decisions of the Trust, including those of the Board of Directors, will be transparent and open to Basin residents.

#### **Participation and Commitment**

Directors will ensure they participate fully as Directors and are capable of meeting their commitments to the Trust.

#### **Service**

The Board of Directors will act in the best interests of the Trust, which serves the Basin region as a whole.

## **6 Subsidiaries**

6.1 The Trust has a number of wholly owned subsidiaries. For the most part, those subsidiaries are holding companies and non-operational. In some cases, subsidiaries function as operating companies. The following Trust governance policies apply to Boards of operating subsidiaries:

- Those principles as set out in the Overview [BOD01],
- Board, Subsidiary Board and Director Responsibilities,
- Code of Conduct,
- Director Fees and Expenses,
- Performance Evaluation for Board, Operating Subsidiary Boards, Directors and Committees,
- Communications Policy,
- Director Orientation Policy,
- Whistle Blower Policy, and
- Bullying and Harassment Policy.

6.2 The Trust Board may establish supplemental governance policies and guidelines specific to a subsidiary related to (but not necessarily limited to):

- Subsidiary Board Composition, Appointment, Attributes & Competencies, and
- Subsidiary Board Meeting Policy and Procedures.