

B.C. Pavilion Corporation Governance Guidelines

Background

1. The B.C. Pavilion Corporation [the 'Corporation'] is a British Columbia corporation incorporated in 1984, and now governed by the *British Columbia Business Corporations Act*.
2. The *British Columbia Business Corporations Act* and the Articles of the B.C. Pavilion Corporation apply to the Corporation to the extent that they may differ from these Governance Guidelines.
3. In 1999, the Corporation registered "PavCo" as a business name.
4. The sole Shareholder of the Corporation is the Province of British Columbia [the 'Province'], represented by both the Province and the Minister responsible as designated by the Province [the "Minister"]. The *British Columbia Enterprise Corporation Act* names the Corporation as an agent of the Province. As such, the Corporation is a Crown Corporation of the Province.
5. Attached as Appendix A to these Governance Guidelines is a list of the current Minister, the current Chair and the current Board members of the Corporation.
6. The Corporation, on behalf of the Province, owns and operates the Vancouver Convention Centre, BC Place Stadium, and some properties adjacent.
7. The current primary mandate of the Corporation is:

"To generate economic and community benefit for the people of British Columbia through the prudent management of public facilities: BC Place Stadium and the Vancouver Convention Centre."
8. The governance mandate of the Corporation is formally reaffirmed annually by the Shareholder, the Province, through a Mandate Letter signed by the Minister, the Chair of the Board and its Directors. A copy of the most current Mandate Letter is attached as Appendix B to these Governance Guidelines.

Governance Guidelines as Approved by the Shareholder Minister Responsible

9. Under recommendation of the Province, the Minister appoints the Board of Directors for the Corporation. Directors must be qualified as required by the *BC Business Corporations Act*. The Minister mandates the Board to direct and control business, assets and affairs of the Corporation consistent with the policies and directives of the Province and is composed of people with a diversity of experience. The number of Directors is determined as the number deemed appropriate by the Minister, with a minimum of three Directors.
10. The Board provides leadership to the Corporation. The specific responsibilities of the Board are set out as Appendix C to these Governance Guidelines.

11. Under recommendation of the Province, the Minister appoints the Chair of the Board of Directors for the Corporation.
12. The Chair is the primary liaison between the Province and the Board, and from the Board to the Executive of the Corporation. The Chair regularly reports to the Shareholder on any matters that are relevant concerning the Corporation. The Chair is responsible for the annual performance review of the CEO of the Corporation, and leads the evaluation process of Board committees, and the senior management of the Corporation. The Chair ensures there is an adequate corporate management succession plan, and serves as the Board's spokesperson.
13. The Chair, or the Chair's designate, shall preside at all Board meetings.
14. The Board will meet at the call of the Chair, with reasonable notice to all Board members. Board members may attend by telephone or other electronic means.
15. The Board meets at least 3 times each year to discuss the business of the Corporation, and to provide direction to the Executive of the Corporation.
16. Board committees are formed at the call of the Chair. Membership in the committees of the Corporation are determined by the Chair in consultation with the Board. Terms of reference, authorities, powers and discretions of the committees of the Board are determined by the Chair in consultation with the Board.
17. Compensation of the Directors is governed by Provincial Treasury Board guidelines, plus all reasonable expenses incurred in performing their duties. No expenses for alcoholic beverages are considered for reimbursement.
18. Due to the confidential nature of the business interests of the Corporation, all Board meetings are confidential, or in camera when human relations issues are dealt with, except when a public meeting may be called by the Chair to include information to be provided to the public. The Board may invite others, in its sole discretion, to attend for all or a part of any Board meeting.
19. A quorum necessary for the transaction of Board business shall be a majority of all Board members.
20. Questions arising at any meeting shall be decided by a majority of votes of those Directors present. In the case of a tie, including the vote of the Chair, the question shall be defeated.
21. A resolution consented to in writing, confirmed by email, facsimile or other electronic transmission by all the Board members, shall be as valid and effective as if it had been passed at a meeting of the Board duly called and held. Such resolution may be in two or more counterparts.
22. All acts done by any Board meeting shall, notwithstanding that it be afterwards discovered that there was some defect in the qualification, election or appointment of any such Board member be as valid as if every such person had been duly elected or appointed and was qualified to be a Board member.

APPENDIX A

LIST OF CURRENT SHAREHOLDER, CURRENT CHAIR AND CURRENT BOARD MEMBERS OF THE B.C. PAVILION CORPORATION

As of August 8, 2018

- Minister responsible for the B.C. Pavilion Corporation (representative shareholder of the Province of BC):

Hon. Lisa Beare, Minister of Tourism, Arts, and Culture

- Chair of the Board of the B.C. Pavilion Corporation:

Ian Aikenhead, Q.C.

- Members of the Board of the B.C. Pavilion Corporation:

Ian Aikenhead, Q.C.

Gwen Point

Dan Cahill

Carla Guerrero

Rod Harris

Flavia Coughlan

Jatinder Rai

APPENDIX B

THE CURRENT MANDATE LETTER OF THE B.C. PAVILION CORPORATION



Ref: 35299

January 16, 2019

Mr. Ian Aikenhead
Chair
Board of Directors
B.C. Pavilion Corporation
Suite 200 - 999 Canada Place
Vancouver, BC V6C 3C1

Dear Mr. Aikenhead:

I would like to extend appreciation on behalf of Premier Horgan and the Executive Council for your dedication, and that of your board members, in serving the public interest. Crown agencies play a key role in delivering important services that benefit British Columbians in every region of our province.

Government's three priorities remain unchanged: make life more affordable, deliver the services people count on, and build a strong and sustainable economy that supports jobs throughout the province. Across government ministries and in strong partnership with Crown agencies, our emphasis is on raising the standard of living for all British Columbians, delivering quality programs and services that are practical and realistic in a B.C. context and in our fiscal environment, and judiciously managing affordability pressures – both for citizens and for our business community.

B.C. Pavilion Corporation generates significant economic and community benefit for the people of B.C. through hosting global meetings, world class sporting and entertainment events, and the prudent management of its public facilities.

Our government has also made important commitments to reconciliation with Indigenous Peoples, taking action against climate change, and working to ensure that our public service and public sector institutions are representative and inclusive of all our diverse society:

- Government is adopting and implementing the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP), and the Calls to Action of the Truth and Reconciliation Commission (TRC), demonstrating our support for true and lasting reconciliation with Indigenous Peoples. All public sector organizations are expected to incorporate the UNDRIP and TRC within their specific mandate and context. Additionally, in May 2018, government released 10 Draft Principles to Guide the Province's Relationship with Indigenous Peoples, which serves as a guide for all public sector organizations as we continue to build relationships with Indigenous communities based on respect and recognition of inherent rights.

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- While government has already taken steps towards achieving our legislated carbon reduction targets, much remains to be done. Our new climate strategy will outline significant GHG reduction measures in 2019/20 while supporting our program and service objectives through economic growth powered by clean, renewable energy, supported by technological innovation. Please ensure your organization's operations align with government's new climate plan.
- Over the coming fiscal year, I look forward to working with your leadership team to provide effective, citizen-centred governance, through strong public sector boards that represent the diversity of British Columbia. The Crown Agencies and Board Resourcing Office (CABRO) at the Ministry of Finance provides leadership for the appointment process to fill positions on the boards of Crown agencies. As your board is renewed over time, I encourage you to work with CABRO to actively seek out women, visible minorities, Indigenous Peoples, persons with disabilities, LGBTQ2S+ individuals, and others who may contribute to diversity to add to the CABRO candidate pool to fill open positions. My expectation is that candidates from all regions of our province will be invited to apply to help renew B.C.'s public sector boards, including individuals with a broad range of backgrounds in community, labour and business environments.

As the Minister Responsible for B.C. Pavilion Corporation, I expect that you will make substantive progress on the following priorities and incorporate them in the goals, objectives and performance measures included in your Service Plan:

- Ensure PavCo's programs and investments are aligned with provincial tourism priorities and other emerging government priorities.
- Continue to maximize private sector revenue for the public facilities owned and managed by PavCo through implementation of the *5-year Attendance and Economic Benefit Target Plan*.
- Continue to support and promote community events and business opportunities that attract and benefit British Columbians through execution of the *PavCo Engagement Strategy*.
- Building on the success of the Vancouver Convention Centre, continue to act as a global sustainability leader, and explore opportunities for environmental improvement in all facilities.
- Continue to explore options for additional revenue streams that align with PavCo's mandate and Government's priorities, while working collaboratively with Indigenous and community partners.

Each board member is required to sign the Mandate Letter to acknowledge government's direction to your organization. The Mandate Letter is to be posted publicly on your organization's website on Budget Day on February 19, 2019 to coincide with the release of your organization's service plan.

I look forward to ongoing collaboration with your Board as we work together to deliver improved service and better outcomes for British Columbians.

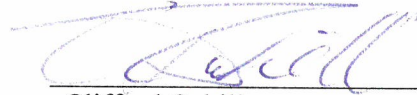
Sincerely,



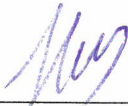
Lisa Beare
Minister of Tourism, Arts and Culture



Ian Aikenhead
Chair, B.C. Pavilion Corporation



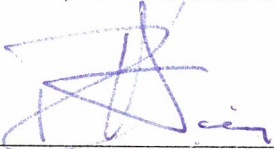
Clifford Cahill
Director, B.C. Pavilion Corporation



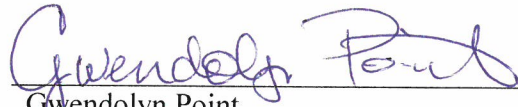
Flavia Coughlan
Director, B.C. Pavilion Corporation



Carla Guerrero
Director, B.C. Pavilion Corporation



Roderick Harris
Director, B.C. Pavilion Corporation



Gwendolyn Point
Director, B.C. Pavilion Corporation



Jatinder Rai
Director, B.C. Pavilion Corporation

pc: Honourable John Horgan
Premier

Don Wright
Deputy Minister to the Premier and Cabinet Secretary

Lori Wanamaker
Deputy Minister
Ministry of Finance

Heather Wood
Associate Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Sandra Carroll
Deputy Minister
Ministry of Tourism, Arts and Culture

Clifford Cahill
Director
BC Pavilion Corporation

Flavia Coughlan
Director
BC Pavilion Corporation

Carla Guerrero
Director
BC Pavilion Corporation

Roderick Harris
Director
BC Pavilion Corporation

Gwendolyn Point
Director
BC Pavilion Corporation

Jatinder Rai
Director
BC Pavilion Corporation

Ken Cretney
President and CEO
BC Pavilion Corporation

APPENDIX C

THE RESPONSIBILITIES OF THE BOARD OF THE B.C. PAVILION CORPORATION (BOARD GOVERNANCE GUIDELINES)

The Board provides leadership to PavCo, with specific responsibility to:

- Ensure that the Board and management operate in good faith, in compliance with legal and regulatory requirements, and to the highest ethical and moral standards. The Board has a duty to act at all times in the best interests of PavCo.
- Select and appoint the CEO, approve terms of reference and objectives for the position and monitor and review performance against those objectives. Plan for succession of the CEO, including emergency succession, and succession in the normal course of business.
- Work with the CEO to ensure suitable management structure for the organization, and develop a succession plan for the executive.
- Oversee evaluations of the Board, Committees and Directors. Performance of the Board, Committees and individual Directors shall be evaluated against a schedule of competencies and attributes in consultation with the Crown Agencies and Board Resourcing Office, identify the required competencies and personal attributes required, and recommend to Government the orderly succession of Board members.
- Oversee development and approve a 3-Year Service Plan for the organization and its facilities that takes into account the opportunities and risks, and direction set by the shareholder. This should be prepared in accordance with the guidelines set out by the Province. Monitor the organization's performance against the goals and objectives as set out in the Service Plan, facility, and individual plans.
- Approve the organization's capital and operating budgets as prepared in conjunction with PavCo's 3-Year Service Plan. Ensure the integrity of the financial statements, internal controls, financial information systems, projections, forecasts and audited statements. Monitor PavCo's performance measures against the 3-Year Service Plan.
- Approve PavCo's new policies and material amendments to existing policies.
- Ensure that management has taken the necessary steps to identify the principal risks to the organization and that management has adequate systems in place to manage those risks.
- To the extent that the Board deems it appropriate, determine the type of transactions that are presented to the Board for approval. These include major transactions that are outside the scope of PavCo's annual budget or management's expenditure limits, such as major capital projects, operating contracts or commitments that could outlive the term of employee contracts.

- Ensure that reporting, monitoring and accountability obligations are met. Ensure that PavCo adheres to the reporting requirements that are required by the Province through the Financial Information Act and other statutes that apply to PavCo. Approve those reports required by statute.
- Ensure that controls, codes or guidelines are in place for governing ethical conduct, conflict of interest, environmental protection, personal and public safety, equity and similar concerns. Ensure that the Directors adhere to the Code of Conduct and annually sign a statement disclosing any conflicts or potential conflict that may arise.
- Ensure that the organization has an appropriate communications strategy. The spokesperson for the Board will be the Chair. Spokespersons for operational matters shall be the most senior management at each facility. Responsibility may be delegated from time to time as deemed appropriate. The primary liaison between the Board and the Minister responsible is through the Chair of the Board. The Chair shall hold regular meetings, in person, with the Minister responsible to advise the Minister on matters that may affect the performance of the Minister. The Chair may also discuss matters with the Minister by telephone or in writing, as necessary. When the Chair is unavailable during such times as an extended leave of absence, then the Chair shall designate another Board member as liaison during that period of absence.
- Recommendations by Committees shall be forwarded to the Board for resolution. Recommendations forwarded to the Board for approval need be approved by a simple majority of Committee members.
- A quorum at meetings shall be a simple majority of the Board present. A Director shall be deemed present if he/she attends in person or by telephone. Resolutions will be approved if accepted by a simple majority of Directors attending. A written resolution, signed by all Directors shall have the same effect as if it had been tabled at a meeting.
- The Board may conduct meetings with persons in attendance who are neither Directors nor management of PavCo. Prior to the meeting, the Chair and CEO shall approve the attendance of these persons. The Board may also meet from time to time without management in attendance. Following such meetings, meeting detail shall be relayed to the CEO by the Chair. The Agenda for each Board meeting shall include an "in camera" session, at which time management will be excused from the meeting.
- PavCo will provide a detailed orientation to new Directors. The orientation shall include a review of the corporate structure, responsibilities of Board versus management, responsibilities of a Director, and a review of PavCo's 3-Year Service Plan, issues and initiatives. Directors will be encouraged to visit the Corporation's facilities to meet senior management, and attend events at those facilities in order to familiarize them with the business environment. The Board and individual Directors shall have full access to management regarding all matters of compliance and performance.
- Directors will be encouraged to partake in continuing education on matters that affect themselves as Directors of PavCo, and should commit to continuous learning and improvement.
- The Board should be free to independently engage the use of outside consultants to perform work or studies or projects on behalf of the Board. If the Board engages an outside consultant, the Chair should notify the CEO of this decision.

- Ensure that an appropriate system of internal controls is in place for PavCo.
- The Board and individual Directors have a responsibility to govern PavCo, and delegate the day-to-day leadership and management of the organization to the CEO. The Board and its individual members do not have the authority to make financial or other commitments on behalf of PavCo.