

Alberta Indigenous
Opportunities Corporation

Mandate and Roles Document

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1. Introduction

Alberta Indigenous Opportunities Corporation (AIOC) has been established to facilitate and backstop up to \$1 billion in investment by Indigenous communities in natural resource projects and related infrastructure. AIOC, a first-of-its-kind Crown corporation in Canada, serves an aspirational and transformational function by supporting Indigenous communities to expand their investments in the natural resource sector and realize the corresponding economic benefits within the community – benefits not only for the short term but also for generations to come.

This Mandate and Roles Document has been developed collaboratively by the Minister of Indigenous Relations (Minister) and Alberta Indigenous Opportunities Corporation (AIOC), according to the *Alberta Public Agencies Governance Act* (APAGA).

Although AIOC operates independently and at arm's length from the Government of Alberta, there is broad cooperation and collaboration between AIOC and the Government of Alberta.

Each of AIOC and the Government of Alberta consider it necessary and advisable to define and communicate the respective responsibilities and accountabilities of AIOC and the Government of Alberta relative to the execution of AIOC's mandate.

1.1 Definitions

In this document:

- (a) "AIOC" means Alberta Indigenous Opportunities Corporation;
- (b) "AIOC Act" means the *Alberta Indigenous Opportunities Corporation Act* or any statute, as may be amended from time to time, or any legislation which may be substituted therefore;
- (c) "AIMCo" means Alberta Investment Management Corporation;
- (d) "APAGA" means the *Alberta Public Agencies Governance Act* as amended from time to time;
- (e) "Board" mean the board of directors of AIOC;
- (f) "Bylaws" means the bylaws of AIOC as amended from time to time;
- (g) "CEO" means Chief Executive Officer, the highest-ranking executive who has primary responsibility for managing the day-to-day operations of AIOC, or by whatever title;
- (h) "Board Chair" means the Director designated as the chair of the Board;

- (i) “Board Vice-Chair” means the Director designated as the vice-chair of the Board;
- (j) “Board Committee” means a committee of Directors;
- (k) “Board Committee member” means a Director appointed to a Board Committee;
- (l) “Committee of Supply” means the committee of all Members of the Legislative Assembly that meets to discuss the Government of Alberta’s interim and supplementary budget estimates in detail and to vote on the main budget estimates;
- (m) “Deputy Minister” means the Deputy Minister of the Minister responsible for the AIOC Act or, if the Minister has more than one Deputy, the Deputy whose responsibilities include AIOC;
- (n) “Director” means a director of the Board;
- (o) “FAA” means the *Financial Administration Act* as amended from time to time;
- (p) “Government of Alberta” has the same meaning as “Her Majesty the Queen in right of Alberta” and “Crown in right of Alberta”;
- (q) “Indigenous communities” has the same meaning as “Indigenous groups” as defined in the AIOC Act;
- (r) “Management” refers to the officers of AIOC with the responsibility for managing the day-to-day operations of AIOC;
- (s) “Minister” means the Minister determined under Section 16 of the *Government Organization Act* as the Minister responsible for the AIOC Act;
- (t) “Ministry” means the department under Section 2 of the *Government Organization Act* administered by the Minister;
- (u) “MRD” means this Mandate and Roles Document;
- (v) “Shared Services Agreement” means an agreement between AIOC and a third party whereby the third party provides AIOC with the services specified for the timeframe specified in the agreement;
- (w) “stakeholder” means any individual, group or organization with an interest in the business and operations of AIOC.

1.2 Nature of this Document

This MRD is jointly developed by AIOC and the Minister pursuant to and in accordance with the requirements of Section 3 of APAGA. This MRD is not a contract, nor does it establish or create

legal obligations. Rather, it describes and reflects the mandate of AIOC, its relationship with the Minister, its governance and operational structure, and respective roles, accountabilities and responsibilities.

APAGA requires that this MRD be reviewed and renewed, amended or replaced within three years after it was made or most recently amended.

2. Governing Law

2.1 Statutory Mandate of AIOC

The AIOC Act establishes AIOC as a corporation. It operates at arm's length from the Government of Alberta and on commercial terms. It is governed by a professional Board that is independent of the Government of Alberta and AIOC management.

Under Section 2 of the AIOC Act, the Government of Alberta has assigned AIOC the responsibility for delivery of the following services:

- Provide practical measures such as increasing access to capital for Indigenous communities to facilitate Indigenous communities' investment and participation in commercially reasonable and viable natural resource development projects;
- Provide investment, technical and financial support for commercially reasonable and viable projects that support the responsible development of Alberta's resources; and
- Provide support to commercially reasonable and viable projects that will provide a return on investment for Indigenous communities and the Province of Alberta.

AIOC will consider demonstrated benefits to Alberta's Indigenous communities, among other criteria, when assessing applications and making funding decisions.

2.2 AIOC Status

AIOC is, by statute, "for all purposes an agent of the Crown in right of Alberta", which means:

- The Government of Alberta ultimately has legal responsibility for all debts, liabilities and obligations of AIOC; and
- AIOC is entitled to all legal immunities and any applicable rights and benefits of the Government of Alberta.

AIOC is a “Provincial corporation” as that term is defined in the *Financial Administration Act* (Alberta).

2.3 Applicable Legislation and Regulations

In addition to the AIOC Act, AIOC has duties and obligations under various other Alberta statutes, most significantly the following:

- the *Alberta Public Agencies Governance Act*, which applies to AIOC as a “public agency” under that Act;
- the *Conflicts of Interest Act*, which applies to AIOC as a “public agency” under that Act;
- the *Financial Administration Act*, which governs AIOC as a “Provincial corporation”;
- the *Fiscal Planning and Transparency Act*, which requires AIOC, as an “accountable organization” that is part of the Minister’s “ministry”, to provide a business plan and annual report for each fiscal year;
- the *Freedom of Information and Protection of Privacy Act*, which applies to AIOC as a “public body” under that Act;
- the *Lobbyists Act*, which applies to AIOC as a “public agency” under that Act;
- the *Public Interest Disclosure (Whistleblower Protection) Act*, which applies to AIOC as a “public entity” under that Act;
- the *Public Sector Compensation Transparency Act*, which specifies compensation disclosure requirements for “public sector bodies”; and
- the *Reform of Agencies, Boards and Commissions Compensation Act*, which establishes the compensation framework for AIOC.

Because AIOC is a “Provincial corporation”, the Auditor General of Alberta is the auditor of AIOC.

AIOC is not subject to the *Public Service Act*.

AIOC’s procurement practices are subject to the New West Partnership Trade Agreement and the Canadian Free Trade Agreement, entered into by the Government of Alberta.

2.4 Decision-Making

AIOC has the authority and discretion to make decisions about financial support, capacity building services, and operations, provided they are not in contravention of any Act, Regulation, or Order-in-Council to which AIOC is subject.

The AIOC Act defines the financial instruments that AIOC can deploy; authorization to use a specific instrument must be requested by AIOC through the Ministry of Indigenous Relations and Treasury Board and Finance by means of an Order-in-Council. This authorization is a requirement under the *Financial Administration Act*. Requirements outlined in the Order-in-Council relating to the financial mechanism must be adhered to by AIOC.

Decisions requested by AIOC from Cabinet, the Minister of Indigenous Relations, or other government bodies, including appointments and authorization of financial mechanisms, will be coordinated with the Ministry of Indigenous Relations. This process may include the Ministry developing decision documents, providing advice to AIOC, and coordinating decision packages.

3. Governance

3.1 Directors

Pursuant to the AIOC Act, the Directors of AIOC are appointed by an order of the Lieutenant Governor in Council. A Director may be appointed for a term not exceeding three years and is eligible for reappointment subject to a maximum of 10 years of continuous service. The Board Chair and Board Vice-Chair are formally designated by order of the Lieutenant Governor in Council.

The recruitment and appointment process for Directors is guided by the provisions of APAGA and is subject to generally applicable policies established by the Government of Alberta. Director appointments will be made with the intention of creating a Board comprised of individuals who, in aggregate, have the full range of proven skills, knowledge and experience necessary to effectively oversee AIOC in achieving its objectives. The Board is committed to the following principles:

- The Director recruitment and appointment process is open, transparent, and competency- based.
- The competence of Directors is recognized as being of paramount importance.

- The Board will be comprised of a diverse range of qualified individuals, who can effectively execute their mandates in the best interest of Albertans.

The Minister and Cabinet shall decide whether to approve the appointment or reappointment of any individual recommended by the Board. Appointments and reappointments will be formally designated by order of the Lieutenant Governor in Council.

3.2 Bylaws and Committees

The Board is empowered to make Bylaws governing the business and affairs of AIOC.

The Board has initially established the following Board Committees:

- Governance;
- Audit and Risk; and
- Investment.

3.3 Roles, Accountabilities and Responsibilities

The respective roles and responsibilities of AIOC, AIOC's Directors and CEO, the Minister and the Ministry, as well as other partners, in relation to AIOC and its operations are summarized below.

3.3.1 AIOC

The AIOC is responsible for carrying out its statutory mandate, complying with other applicable enactments and performing its contractual obligations.

3.3.2 Minister

As determined under Section 16 of the *Government Organization Act*, the Minister is responsible for the AIOC Act and accountable to the Legislative Assembly for AIOC. The Minister reports to the Legislative Assembly regarding the business and operations of AIOC and addresses questions from members of the assembly about the AIOC.

Accountable for:

- With the Board (as represented by the Board Chair), approval of AIOC's Mandate and Roles Document;
- Issuing directives to AIOC within the scope of governing legislation; and

- Reporting to the Legislative Assembly regarding AIOC's business and operations.

Responsible for:

- The legislative framework to establish AIOC and sustain its operations;
- Participating in setting AIOC's long-term objectives and short-term targets, if any;
- Advising AIOC of applicable government direction and policies;
- Monitoring whether AIOC is acting within its mandate and achieving its long-term objectives and short-term targets, if any;
- Approving AIOC's business plan and annual report; and
- Addressing questions about AIOC from the Committee of Supply.

3.3.3 Board

The Board is accountable for the good governance of AIOC and responsible for effective oversight of AIOC's management. The Board as a whole is accountable to the Minister and is expected to act in good faith, leaving aside personal interests to advance the public interest and mandate of AIOC.

Accountable for:

- Establishing effective and transparent Board governance practices, including the development of and adherence to Board-specific policies and processes, to enable effective Board operations;
- Enterprise risk management of AIOC;
- Recommendation of AIOC's business plan and annual report for approval by the Minister;
- With the Minister, approval of AIOC's Mandate and Roles Document and ensuring it is reviewed as required;
- Fostering a culture of open communication and collaboration on the Board and with Management; and
- Commitment to the highest standards of accountability and ethical conduct by the Board and across AIOC.

Responsible for:

- Establishing the strategic direction and priorities of AIOC;
- Oversight of AIOC's adherence to its mandate;
- Oversight of the management of AIOC, including its standards, processes and controls;
- Compliance with all Ministerial directives;
- CEO recruitment and succession planning;
- Director succession planning;
- Orientation and training of new Directors; and
- Evaluation of AIOC's performance, CEO's performance and Directors' performance.

3.3.4 Board Chair

The Board Chair represents the AIOC as a whole and its strategic interests as the primary liaison with the Minister, the Board and the CEO. The Board Chair is expected to work openly and cooperatively with all parties and to effectively facilitate the work of the Board.

Responsible for:

- Planning and presiding over all meetings of the Board;
- Providing regular updates to the Minister about AIOC's performance, emergent risks and issues;
- Ensuring the Board as a whole and in committee have opportunities to meet independently of Management;
- Leading by example, fostering a culture of cooperation and open communication on the Board and with Management;
- Administering the Code of Conduct and Conflict of Interest Policy for the Board and the CEO, ensuring the Board addresses conflicts of interest (real or perceived) in a prompt, thorough and transparent manner; and
- Ensuring annual performance evaluation is conducted for the Board as a whole, each Board Committee, each Board Committee Chair, each individual Director and the CEO according to defined and transparent policies and criteria.

3.3.5 Board Vice-Chair

The Board Vice-Chair undertakes the role of Board Chair in the event the Board Chair is unavailable to act in that capacity.

Responsible for:

- Performing all duties of the Board Chair in the event the Board Chair is absent from a meeting of the Board or is unable to undertake duties for a temporary period of time; and
- Administering the Code of Conduct and the Conflict of Interest Policy for the Board Chair.

3.3.6 Deputy Minister

The Deputy Minister engages with the Board and the CEO under the general direction of the Minister. The responsibilities noted below have been delegated by the Minister to the Deputy Minister.

Responsible for:

- Attending meetings of the Board as a whole as an observer on behalf of the Government of Alberta;
- Briefing the Minister about the business, risks and issues of AIOC;
- Communicating with the Board and the CEO about government policy; and
- Providing advice to the Board.

3.3.7 Chief Executive Officer

The Board recruits and appoints the CEO of the AIOC. The CEO implements the strategic direction established by the Board.

Accountable for:

- Operational excellence of AIOC;
- Maintaining consistent, frequent, accurate and open communication with the Board Chair, the Board, the Deputy Minister, and across AIOC;
- Leading by example, fostering a culture of cooperation, open communication with the Board, across AIOC, with Indigenous communities, and stakeholders; and

- Commitment to the highest standards of accountability and ethical conduct by AIOC.

Responsible for:

- Management of AIOC's daily operations;
- Implementing Board-set priorities and objectives for AIOC;
- Implementing corporate governance framework and controls across AIOC (at the management level);
- Implementing an enterprise risk management framework, plan and controls;
- Implementing risk mitigation actions and issues management;
- Developing and implementing management-specific policies, processes and controls to enable effective operations, including financial management; human resource management; data management; information management and technology;
- Developing and implementing the management structure of AIOC, including approving roles and hiring staff, as well as evaluating staff performance;
- Administering the Code of Conduct and Conflict of Interest Policy for staff and addressing conflicts of interest (real or perceived) in a prompt, thorough and transparent manner;
- Supporting the Board in its strategic functions (including the preparation of a strategic plan, business plan, annual report, enterprise risk management strategy, governance and reporting requirements);
- Implementing all directives received from the Board (on behalf of the Minister);
- Providing support to the Board and Board Committees to enable the Board to meet its accountabilities and carry out its responsibilities; and
- Operating within the mandate, standards, policies and budget approved by the Board and the Government of Alberta.

3.3.8 Ministry of Indigenous Relations

The Ministry supports the Minister and the Deputy Minister in meeting their accountabilities and responsibilities with respect to AIOC. This includes, but is not limited to, the following:

- Coordinating with Cabinet, the Minister and/or other government bodies about matters requiring decisions on appointments and authorization of financial mechanisms;

- Coordinating review of AIOC's Mandate and Roles Document prior to approval by the Minister;
- Developing and coordinating information packages to assist the Minister in participating in the definition of AIOC's long-term objectives and short-term targets, if any;
- Communicating to AIOC's CEO the Ministry's process, expectations and requirements for the preparation and submission of AIOC's quarterly financial reports, its Annual Report and Business Plans to the Minister, and any changes to the process, expectations and requirements at least 120 days prior to submission timeframes;
- Coordinating reviews of AIOC's quarterly financial reports, Annual Report and Business Plan prior to their approval by the Minister;
- Developing and coordinating information packages explaining new government policies and/or the impact of changes to existing government policies on AIOC;
- Developing and coordinating information packages to assist the Minister in monitoring AIOC's adherence to its statutory mandate;
- Developing and coordinating decision documents regarding Ministerial directives affecting AIOC;
- Developing and coordinating information packages outlining proposed changes to the legislative framework governing AIOC; and
- Developing and coordinating information packages assisting the Minister in reporting on the operations of AIOC to the Legislative Assembly and Committee of Supply.

3.3.9 Partners

AIOC may engage the expertise and leverage the scale of external partners, such as AIMCo, as most appropriate for AIOC, based on a mutual agreement of defined scope, roles and responsibilities. AIOC may engage external partners for short timeframes or over a longer term, as AIOC deems necessary.

Partners may be responsible for:

- Providing advice, at the request of the Board and/or Management;
- Consulting to the AIOC Board and/or Board Committee, as requested by the AIOC Board and Management; and

- Such other responsibilities as mutually agreed among AIOC and its partners.

3.3.9.1 Interim Operations

During its interim start-up period, AIOC may engage the services of an external partner to provide operational and infrastructure support until AIOC becomes fully operational with independent staff. If AIOC chooses to engage an external partner, AIOC will do so as part of a Shared Service Agreement, which will outline the scope of and timeframe for services to be provided. Services may include:

- Initial Operating Capability and Final Operating Capability;
- Hardware and Software Implementation;
- Operational Support:
 - Accounting and Finance;
 - Human Resources;
 - Contracting and Procurement;
 - Legal Services and Support;
 - Occupational Health and Safety;
 - Office Management; and
 - Information Management and Security;
- Quality Management and Quality Assurance;
- Contracting and Procurement;
- Communications Management; and
- Deliverables and Scheduling.

4.0 Reporting and Communications

4.1 Reporting

Respecting the Minister's responsibilities identified in Section 6 of APAGA, each year, AIOC shall provide its business plan and budget to the Minister for approval and participate with the Minister

in setting its long-term objectives and short-term targets, if any. The business plan shall cover, at a minimum, the next three-year fiscal period and shall include strategic priorities, objectives, and strategies to achieve those objectives and a system of performance measures.

AIOC shall maintain records of its affairs including the conduct of the independent audit. AIOC must submit that statement together with the summary of AIOC's activities to the Minister on an annual end of fiscal year basis and other reports as requested to the Minister.

The Minister may from time to time request additional reasonable reporting from AIOC, and this may be for either periodic or one-time reports. As examples, the Minister could request briefings on AIOC activities; results of operations; and/or confirmation of compliance with regulations and directives.

4.2 Financial Reporting Timelines

AIOC must submit its annual financial reporting and budget to the Minister for review and input by the Ministry before inclusion in the Ministry's financial report to Treasury Board and Finance. AIOC must conduct its operations in a manner consistent with the Minister's expectation of prudent fiscal management. The Minister establishes the timeframe for this submission.

4.3 Communications

AIOC and the Ministry believe that regular and open communications between them are foundational to a productive working relationship. To this end, multiple channels of communication are employed, including, without limitation, the following:

- Between the Board Chair and the Minister;
- Between the Board Chair and the CEO;
- Among the Board and Board Committees;
- Between the CEO and the Deputy Minister;
- Between AIOC's legal counsel and the Board and Board Committees;
- Between AIOC's advisors and the Board and Board Committees;
- Among various officials within AIOC and the Ministry;
- Between AIOC's legal counsel and the Ministry's legal counsel;
- With Indigenous communities; and

- With stakeholders.

In particular, AIOC is required to provide timely notice to the Ministry of any of the following:

- Any lawsuits brought or threatened against AIOC, any Director, the CEO or other member of AIOC's management;
- Any lawsuits threatened or commenced against the Government of Alberta in respect of investment activities carried out by AIOC; and
- Any lawsuits proposed to be initiated by AIOC in the name of the Government of Alberta.

The Minister and the Ministry will use commercially reasonable efforts to consult with the Board Chair and CEO of AIOC prior to amendments of the AIOC Act or Regulations thereunder, as well as any other law, regulation, or government policy that could materially affect AIOC.

5.0 Administration

5.1 Review of the Mandate and Roles Document

This Mandate and Roles Document shall be in effect for not more than three years. It must be renewed or revised by the expiry date.

The Mandate and Roles Document may be amended at any time, any amendment must be signed by the Board Chair, on behalf of the Board, and by the Minister designated with the responsibility of the AIOC under the Designation and Responsibility Regulation of the *Government Organization Act*.

5.2 Transparency

Copies of the Mandate and Roles Document will be filed with the Minister, AIOC and the Public Agency Secretariat. It will also be easily accessible to the public on AIOC's website at www.theaioc.com.

5.3 Review of Alberta Public Agencies

As outlined in Section 19 of APAGA, the Minister must, at least every seven years, conduct a review of AIOC and report the results of the review to Executive Council. The Minister's review will examine whether:

- AIOC's mandate continues to be relevant to the goals, priorities and policies of the Government of Alberta;
- the functions performed by AIOC are best performed by AIOC, by another public agency or by a ministry;
- AIOC's governance structure continues to be appropriate to its mandate and functions;
and
- AIOC is carrying out its activities and operations in a manner that is effective and suited to achieving its mandate.

Note: Signature page follows.

6.0 Approval and Acceptance

The Alberta Indigenous Opportunities Corporation's Mandate and Roles Document is accepted and agreed to by the signatories below:

Original Signed _____

Cody Church
Board Chair
Alberta Indigenous Opportunities Corporation

Original Dated _____, 2020

Date

Original Signed _____

The Honourable Rick Wilson
Minister of Indigenous Relations
Government of Alberta

Original Dated _____, 2020

Date