

# bcIMC

## BOARD OF DIRECTORS: CODE OF CONDUCT

### 1. PURPOSE AND APPLICATION

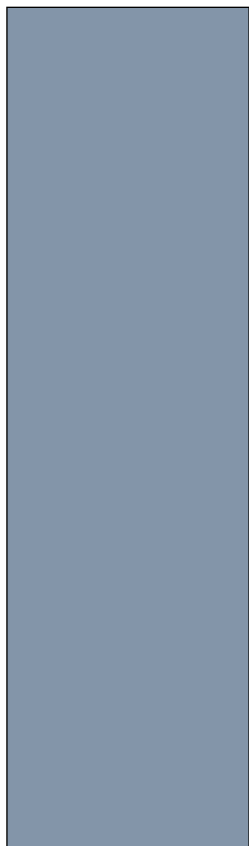
- 1.1. The purpose of this document is to establish minimum standards of conduct expected and required of all Directors of the Corporation.
- 1.2. This code is not designed to be exhaustive and the standards it enumerates are in addition to and not in substitution for the statutory, common law and other duties and obligations applicable to Directors. Consequently, a Director uncertain of his or her duties in any particular circumstance should raise this concern with the Chair of the Board in order to obtain appropriate guidance and advice.

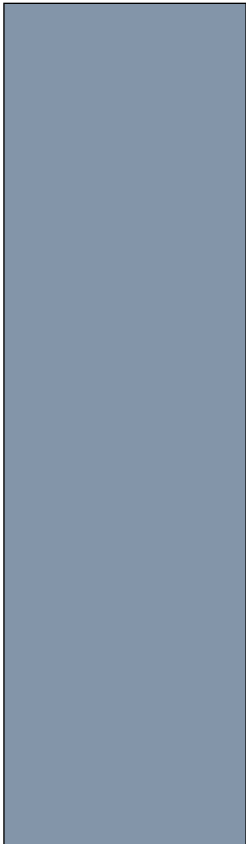
### 2. DEFINITIONS

- 2.1. **Private Interest** – A Private Interest is not limited to a pecuniary or economic advantage and can include any real or tangible interest that personally benefits the Director. A Private Interest does not include an interest arising from the exercise of an official power or the performance of an official duty or function that:
  - 2.1.1. applies to the general public;
  - 2.1.2. affects an individual as one of a broad class of the public; or
  - 2.1.3. concerns the remuneration and benefits of the Director.
- 2.2. **Spouse** – Spouse means a person to whom the individual is married or with whom the individual is living in a marriage like relationship for a period of at least two years, which may be between persons of the same gender. Spouse does not include those who are separated or living apart, or those who have entered into a written agreement under which they have agreed to live apart, or those who are the subject of an order of a court recognizing the separation.
- 2.3. **Related Person** – Spouse, associates, immediate family, friends or persons with whom the Director is connected by frequent or close association or a private corporation controlled by any of these individuals.

### 3. DUTIES

- 3.1. The Corporation's Directors recognize that their duties emanate from both common law obligations and the Public Sector Pension Plans Act and that such duties include the following:
  - 3.1.1. **Duty of Loyalty** – Directors must act honestly, in good faith, and in the best interests of the Corporation. In placing the interests of the Corporation ahead of their own personal or business interests, Directors must:





- 3.1.1.1. be honest in their dealings within the Corporation and with others on behalf of the Corporation;
  - 3.1.1.2. avoid situations where they could profit at the expense of the Corporation, appropriate a business opportunity of the Corporation, or otherwise put themselves in a position of conflict between their own Private Interests and the best interests of the Corporation;
  - 3.1.1.3. avoid speaking against or undermining any decision of the Board, regardless of whether the Director agrees with or voted for that decision; and
  - 3.1.1.4. respect the role of the Chief Investment Officer as official spokesperson of the Corporation and avoid engaging in activity or speaking publicly on matters where this could be perceived as an official act or representation of the Corporation unless specifically authorized to do so by the Corporation.
- 3.1.2. **Duty of Care** – Directors owe a duty of care to the Corporation and must exercise the degree of skill and diligence reasonably expected from an ordinary person of his or her knowledge and experience.
- 3.1.3. **Duty of Confidentiality** – A Director must not divulge confidential information that he or she receives as a Director to anyone other than persons who are authorized to receive the information. The duty to maintain information in confidence continues after the Director ceases to be a director of the Corporation.
- 3.1.4. **Duty to Disclose** – Directors have a duty of continuing disclosure. If a Director becomes aware of a matter which he or she has a duty to disclose or report under this Code, the Director must advise the Chair of the Investment Management Board as soon as reasonably possible and effect disclosure in writing to the Corporation at the first Board meeting at or after which the director becomes aware of such a matter.
- 3.1.5. **Duty of Compliance** – Directors shall comply with all applicable laws and regulations and with the Articles and By-Laws of the Corporation and the policies of the Corporation adopted by the Board from time to time, including this Code of Conduct.
- 3.1.6. **Duty of Knowledge** – Directors must familiarize themselves with the relevant legislation applicable to the Corporation and to Directors and satisfy themselves that appropriate safeguards are in place to ensure the Corporation's or their compliance with that legislation.
- 3.1.7. **The Chair** - The Chair of the Board shall investigate any complaint of non-compliance with the Code of Conduct with respect and impartiality and report to the Board with his or her recommendation.

#### 4. CONFLICTS OF INTEREST

- 4.1. In fulfilling their duties, Directors must perform their responsibilities in a manner that avoids any real or apparent conflict of interest between their Private Interests and the interests of the Corporation.
- 4.2. A conflict of interest exists when a Director exercises an official power or performs an official duty or function and at the same time knows that in the performance of the duty or function or in the exercise of the power, there is the opportunity to further his or her Private Interest.

- 4.3. An apparent conflict of interest exists when there is a reasonable perception, which a reasonably well informed person could have, that a Director's ability to exercise an official power or perform an official duty or function was or will be affected by the Director's Private Interest.
- 4.4. The Directors have adopted the following conflicts of interest rules. These rules do not represent an exhaustive list of all potential conflicts of interest.
- 4.4.1. A Director must disclose any conflict of interest and, in particular, must disclose any direct or indirect interest, whether personal or professional, which he or she has in a proposed or completed contract or transaction with the Corporation or matter affecting the Corporation.
  - 4.4.2. A Director must not exercise any decision-making power which could bring about financial benefit to the Director due to his or her financial holdings, business interests or property interests.
  - 4.4.3. A Director must not personally enter into contracts or transactions where to do so may be detrimental to the Corporation's best interests or where the activity is in conflict with the proper discharge of the Director's duties to the Corporation.
  - 4.4.4. A Director must not divert to the Director or to Related Persons, a maturing business opportunity which the Corporation is pursuing.
  - 4.4.5. A Director must not engage in any financial transactions, contracts, or private arrangements for personal profit which accrue from or are based upon the Director's official position or authority or upon confidential or non public information which the Director gains by reason of such position or authority.
  - 4.4.6. A Director must not use information that is gained due to his or her position or authority, which is not available to the general public, in order to further the Director's Private Interest. A Director must also not offer such information to Related Persons.
  - 4.4.7. A Director must not act in his or her official role to assist organizations or persons in their dealings with the Corporation if this may result in preferential treatment to that organization or person.
  - 4.4.8. A Director must not use corporate property to pursue his or her Private Interests or the interests of Related Persons for material personal gain where such use would result in additional material cost or any material loss to the Corporation or otherwise detracts from the Director's performance of duties to the Corporation. Corporate property includes real and tangible items such as land, buildings, furniture, fixtures, equipment, and vehicles and also includes intangible items such as data, computer systems, reports, information, proprietary rights, patents, trademarks, copyrights, logos, name, and reputation
  - 4.4.9. A Director must not purchase corporate property except with the Corporation's prior approval and on the same conditions that such property would be available to the public.
  - 4.4.10. A Director using the Corporation's electronic mail system or intranet must comply with any internal policies and procedures that guide the storage, use and transmission of information through this medium.
  - 4.4.11. A Director must not solicit or accept benefits, entertainment or gifts in exchange for or as a condition of the exercise of his or her duties or as an inducement for performing an act associated with his or her duties or responsibilities with the Corporation. A Director generally may accept gifts, hospitality or other benefits associated with their official duties and responsibilities if such gifts, hospitality or other benefits:



- 4.4.11.1. are within the bounds of propriety, a normal expression of courtesy, or within the normal standards of hospitality;
  - 4.4.11.2. would not bring suspicion on the Director's objectivity and impartiality; and
  - 4.4.11.3. would not compromise the integrity of the Corporation.
- 4.4.12. An improper benefit should be returned to the person offering it as soon as practicable. If there is no opportunity to return an improper gift or benefit, or where the return may be perceived as offensive for cultural or other reasons, the gift must immediately be disclosed to the Chair of the Investment Management Board and turned over to the Corporation who will make a suitable disposition of the item.
- 4.4.13. A Director must not engage in employment, the practice of a profession, carry on a business, or hold an office or directorship, if any of these activities are likely to conflict with the Director's duties and loyalty to the Corporation, having regard to the fact that the Investment Management Board is prohibited from involving itself in investment decisions of the Corporation.
- 4.4.14. A Director must refrain from conduct which compromises or may be perceived to compromise the Director's ability to carry out his or her duties in an impartial manner and must be mindful that the public may not distinguish between the Director's role in the Corporation and the Director's role in outside activities.
- 4.4.15. A Director, after leaving the Corporation, must refrain from taking improper advantage of his or her previous office. The President or Chief Executive Officer of the Corporation is the official spokesperson. Any communication by a Director will be construed to be done in an official capacity, therefore, no Director may purport to speak on behalf of the Corporation, unless specifically authorized to do so.
- 4.4.16. A Director's political activities must be clearly separated from activities related to his or her appointment. If engaging in political activities, in relation to their duties and responsibilities, Directors must remain impartial and retain the perception of impartiality.
- 4.4.17. A Director must report to the Chair of the Investment Management Board any activity concerning the Directors or the Corporation which:
- 4.4.17.1. he or she believes contravenes the law;
  - 4.4.17.2. represents a real or apparent conflict of interest or a breach of these standards of conduct;
  - 4.4.17.3. represents a misuse of Corporation funds or assets; or
  - 4.4.17.4. represents a danger to public health, safety, or the environment.
- 4.4.18. A Director must, by January 31 in each year, send to the Chair of the Investment Board:
- 4.4.18.1. a declaration that he or she has, during the previous calendar year, complied fully with this Code or that he or she has during the previous calendar year, complied with the Code except for the specific circumstances which the Director must detail; and
  - 4.4.18.2. a list of all directorships or positions of fiduciary responsibility which the director holds in a corporation, society, or organization.

