

OMERS SC

Code of Conduct



Michael Rolland, CEO

Effective
July 1, 2021

SUMMARY

The Code of Conduct sets ethical standards for Members, employees and consultants who conduct business on behalf of the Sponsors Corporation.

This Policy applies to SC Board Members, SC Management and SC employees.

Initial approval date:	May 2009
Next review date:	May 2024
Frequency of review:	Every 3 years

1. Overall Principles and Application

As a statutory corporation established pursuant to section 22 of the *OMERS Act, 2006*, the SC is a unique corporate entity. It is not a business corporation or governed by Ontario's general corporate statutes. The persons governing the SC are called "Members". However, the SC Members owe the SC the same duties of care, honesty and good faith as conventional directors and officers of an Ontario business corporation, as set out in the Ontario Business Corporations Act.

SC Members owe fiduciary duties to the SC. A fiduciary is a person having a duty to act primarily for another person's benefit – in this case the SC. The Member's fiduciary duties are owed only to the SC and not to any one stakeholder or other interest group, regardless of who appoints the Member. While this does not mean that Members cannot take into account the interests of particular groups that may be affected by the Members' decisions, they cannot act solely in the interests of one group if to do so would not be in the interests of the SC as a whole. Fiduciary duties are among the highest standard of conduct that the law imposes.

The Code sets out the expected standards of behaviour for the conduct of the SC's business. It applies to officers and permanent, contract and part-time employees of the SC ("**Employees**"), and where expressly indicated to Members. (Employees and Members are referred to collectively as "**Individuals**").

The Code cannot directly address every situation in which Individuals may find themselves. It does not preclude the use of common sense and good judgment. Rather, it provides a set of rules and ethical standards to be used as a guide for the day-to-day conduct of business.

The Corporation encourages Employees to consult with the Chief Executive Officer or the Executive Director, Operations & General Counsel as necessary to clarify

policies, including the Code, or to raise concerns. These officers can advise an Employee on any uncertain situations. The success of the Code will depend on its use in everything we do. Individuals are expected to apply the Code in their day-to-day responsibilities and decision-making activities. Confidentiality obligations continue after an Individual leaves the SC.

Some of the topics of this Code are addressed with more specificity in certain of the SC's other policies. Moreover, this Code does not address every policy applicable to Individuals. This Code is intended to contain general standards for conducting business as an Employee or Member and sets minimum standards for their conduct.

Individuals are reminded of their obligations under the SC's other policies and should review these policies for more specific guidance.

2. Personal and Professional Conduct

Each Individual's fundamental obligations are to understand and comply with applicable law and the SC's policies and procedures, and to perform his/her duties in a manner that demonstrates the highest standards of integrity and professionalism. Individuals are all responsible for maintaining a culture of cooperation, dignity, respect, and courtesy.

Managers have a further obligation to exercise reasonable supervision over those reporting to them to ensure that these Employees are conducting themselves in accordance with their obligations.

In general, Individuals should be aware of laws governing the SC and must ensure that their conduct is in compliance with all such laws. In all situations, including those where there are no applicable legal principles or where there are unclear or conflicting laws, the SC's business will be conducted in such a manner that will not embarrass or pose a risk to the SC should the full facts be disclosed.

2.1 Harassment, Discrimination & Violence

The SC strives to provide a work environment that supports diversity, where all Individuals have an equal opportunity to reach their potential, free from (i) all forms of discrimination, (ii) sexual and other forms of harassment; and (iii) violence. Harassing conduct, including any behaviour that a reasonable person would conclude contributes to an intimidating or offensive environment, will not be tolerated from Individuals or from outside parties with whom we deal.

(See *SC Respectful Workplace Policy and Accessibility Policy*).

2.2 Accurate Records

The SC's business records must reflect a clear and accurate representation of all the true facts of every component of every business action. Employees have a duty to prepare and maintain accurate and complete business records and must never participate in the creation of a false or misleading record, or the inappropriate destruction of records. No fund or transaction is to be concealed from the Chief Executive Officer or the SC's auditors.

2.3 Suppliers and Contractors

The selection of suppliers of goods and services to the SC by Employees will be based on objective criteria, including quality, price, service and overall benefit to the SC. Payments by the SC for goods and services shall be supported in all cases by invoices or other appropriate documentation reflecting the actual purpose of the payments. Payments may only be made to the people or businesses that supplied the goods or services. Harassing conduct in relation to suppliers and contractors, including any behaviour that a reasonable person would conclude contributes to an intimidating or offensive environment, will not be tolerated.

3. Conflicts of Interest

Individuals must avoid situations where their personal interests conflict with their duty to the SC. A conflict of interest occurs when an Individual's personal interest or obligation may influence his or her decision-making or performance on behalf of the SC.

A personal interest may create:

- *an actual conflict,*
- *a potential conflict,*
- *a perceived conflict*

Perceived or potential conflicts of interest exist in situations where a member of the Individual's family, or a close personal relation has financial interests, personal relationships, or professional associations with an outside individual or organization, such that his or her actions could appear to be biased against the SC by that interest or relationship.

While conflicts must be avoided wherever possible, some conflicts may be appropriately managed or cured through full disclosure and separation of duties. In general:

- Employees must avoid situations in which they, or their spouse, children or other relatives or associates, could directly or indirectly benefit personally from a transaction or contract with the SC or from their knowledge of or ability to influence decisions for the SC;
- Where an actual, potential or perceived conflict of interest may exist in respect to any Employee:
 - Employees are required to immediately disclose their interest to the Chief Executive Officer who will determine, in conjunction with the Co-Chairs, how to deal with the conflict and whether to report it to the SC Board.

The Chief Executive Officer should exclude the conflicted Employee from any involvement in negotiations, discussions or decision-making by the Corporation from which the conflict arises, unless the conflict is determined to be immaterial.

Members are bound by, and are required to be familiar with, Section 132 of the *Ontario Business Corporations Act* and the SC Conflict of Interest Policy, which deal with conflicts of interest. However, Members are expected to disclose to the SC Board, and where appropriate, abstain from voting or otherwise exerting influence in all situations in which they, their spouses, children or other relatives or personal associates could directly or indirectly benefit personally from a transaction or contract with the SC or from their knowledge or ability to influence decisions for the SC, regardless of whether the given situation gives rise to a conflict of interest as defined in the aforementioned statutory and by-law provisions. The *OMERS Act, 2006* requires Members to make decisions on SC Board compensation, even though this may create an appearance of a conflict of interest, and Members are expected to carry out this statutory duty fairly and with diligence.

3.1 Outside Activities and Directorships

Employees are entitled to choose how they spend their non-working hours; however, they must not engage in any outside activity, including acting as a director, which could interfere with the proper discharge of their duties to the SC. Outside activities should not be carried on by Employees during working hours. Individuals carrying on outside activities should not use the SC's facilities or resources to do so and must not imply the SC's sponsorship or support for the outside organization or its initiatives. Use of the SC's facilities for, or, in the case of Employees, spending working hours on, an outside activity is generally acceptable in the case of activities such as participation in

professional organizations or courses related to business functions.

Employees may not:

- knowingly be employed by, have a financial interest in or borrow from (except on widely offered customary terms), a supplier or service provider of the SC; or
- engage in any other external employment or business activity unless the activity is legal and does not compete with or conflict with the SC's interests or adversely affect the SC's reputation.

No Individual may receive fees or benefits for referring Plan members to an outside business or referring an outside business to Plan members.

3.2 Gifts and Entertainment

Accepting anything of value from external parties seeking to do or continue to do business with the SC ("**External Parties**") may compromise or appear to compromise an Individual's ability to make fair and objective business decisions, as well as the SC's credibility. It is acceptable for an Individual to be entertained by, or on occasion receive modest gifts from, an External Party when there is a business benefit to the SC and it is offered as a courtesy or for relationship management purposes. However, an Individual must never solicit or accept gifts or entertainment from anyone that are offered as a condition, inducement or reward for performing their responsibilities to the SC.

3.3 Improper Payments

Bribes, kickbacks, extraordinary commissions, payments or other consideration for the purchase of favoured treatment by governments or government officials, other organizations or individuals, including payments made by or to immediate family members ("**Prohibited Payments**") are strictly prohibited. Employees may furnish an occasional meal or entertainment in connection with furthering the SC's interest provided all of the following criteria are met:

- They are not Prohibited Payments;
- They are of relatively minor value (under \$75.00);
- They are not paid in cash, bonds or negotiable securities;
- They are made as a matter of general and accepted ethical business practice and in the ordinary course of business; and

- They do not contravene any laws or any known policies relating to gifts, favours, services and entertainment of the recipient.

Members shall comply with SC By-Law No. 6 regarding receipt of compensation for carrying out their duties as Members. Subject to the following paragraph, the receipt by a Member of compensation from the Sponsor Organization (as defined in SC By-Law No. 3 regarding composition) with which he or she is affiliated for work or services not related to OMERS does not violate this Section 3.3.

Accepting anything of material value such as salary, commissions, fees, benefits or payments for discharging SC-related responsibilities or for any purpose having to do with the SC from external parties seeking to do business with or influence SC, which includes Sponsor Organizations, may compromise or appear to compromise an individual Member's ability to make fair and objective decisions relating to OMERS, as well as SC's credibility and is, therefore, not permitted.

3.4 Educational Conferences

Opportunities to attend educational conferences or industry meetings related to an Individual's business functions are not considered gifts. Meals, events or accommodations related to such conferences or meetings are not considered entertainment if they are offered to all attendees and attendance is offered to multiple organizations.

3.5 Charitable and Political Donations

The SC must ensure that any expenditure made contributes to the SC's business interests. The SC will **not** make donations to:

- any political party or candidate, or to a union or union representative or an employee, retiree or employer organization or a representative of any such organization, in any form;
- any charitable, community, educational, cultural or religious causes.

The SC encourages the valuable contribution that is made by Individuals personally participating in charitable, community, political and similar organizations. Individuals may support causes of their choice, but must ensure that their contribution is not associated, or perceived to be associated, with the SC.

3.6 Employment of Relatives

Conflicts of interest may arise when related employees are working in circumstances where one can make management decisions affecting the other.

We will not hire, promote or transfer someone if doing so would create a direct or indirect management relationship with a relative. This criterion also applies to romantic relationships and those that develop over time.

Your responsibility is to immediately report to your manager any relationships of this type that currently exist and those that develop over time. You must also advise your manager if your immediate family member or romantic partner is being recruited to work anywhere across OMERS. Members must notify the Chair if these circumstances arise.

4. Privacy and Confidentiality

All Individuals must make themselves familiar with, and comply with, the SC's Confidentiality Policy and any privacy policy adopted by the SC. Particular attention should be paid to the sections related to protection of information (both electronic and paper versions) in both public and private situations. (*See Confidentiality Policy*). A deliberate breach of the Confidentiality Policy is a breach of an Individual's obligations under the Code.

5. Use of Resources

The SC makes a substantial investment in physical, electronic and staff resources in order to assist Individuals in carrying out their duties effectively. Individuals must take reasonable steps to protect assets from theft or destruction, use electronic research and communication tools responsibly and avoid any activities that would compromise the SC's operational effectiveness, business or reputation. Individuals must never intentionally interfere with the normal operation of IT facilities or use another person's user-id or password or attempt to access information without authorization. Passwords must be protected and sufficiently complex to deter unwarranted intrusion.

5.1 Personal Use

While the SC's facilities are intended for business use (i.e., for activities related to job functions), limited personal use may be permitted for personal communications and interests; however, any personal use by Individuals of the SC's facilities, personnel or other resources must:

- be conducted on personal time and with minimal resource use; and
- must not interfere with the SC's business operations or create risk to the SC's reputation.

SC facilities must never be used for:

- political or personal lobbying purposes;
- commercial or profit-making purposes unrelated to the SC;
- unethical or illegal activities, including viewing or transmitting obscene, racist or otherwise objectionable material;
- accessing, downloading or sending games, chain letters, or gambling sites; or
- activities such as posting to newsgroups, use of "chat" facilities, and participation in mail lists, that may associate the SC with controversial issues.

5.2 Copyright

Copyright is the legal right that persons may claim to limit use of their work-product by others. All original material is automatically subject to copyright. Generally, copyrighted material that is published (including being posted electronically) may be copied and used by an Individual who buys or downloads the publication, or obtains permission from the owner; however, it must not be re-distributed or re-posted by the Individual for use by others without permission.

The SC purchases or licenses computer software for business use. Individuals should not make, acquire or use unauthorized copies of computer software, or download any software, without prior written approval from the Chief Executive Officer, because it may contain viruses or be subject to licensing requirements or copyright protection.

The SC retains ownership of the copyright in any work-product created in the performance of an Employee's job, including documents and computer programs. The SC's work-product may not be distributed to outsiders unless authorized.

5.3 Asset Ownership and Access

The SC retains ownership of all IT resources (hardware, software, information, etc.) that it provides to Individuals. To ensure proper and effective functioning of its IT facilities, the SC may need to examine both usage of facilities and contents of files and communications at any time. So while limited personal use of the SC's IT facilities is permitted, there

should be no expectation of privacy on the part of Individuals using such facilities.

5.4 Data Ethics

Integrity is a core value at OMERS and this is reflected in the following ethical principles that you must apply to our use of information/data:

- data is used only for business purposes;
- be honest, transparent and respectful in our use of an individual's personal data;
- be mindful of obligations to apply data minimization standards when collecting or using an individual's personal data;
- be careful to ensure that data acquired from third parties has been collected in a legal manner and that it can be used for our intended purposes;
- when using analytics, machine learning or artificial intelligence initiatives, be sensitive to, and strive to minimize, the risks of unintended consequences, such as unfairness, discrimination, and bias.

6. Media Contact and Public Statements

In order to ensure that the SC's reputation is maintained and that messages are consistent, all media inquiries must be directed to the Chief Executive Officer, who may answer the inquiry or direct the media representative to the appropriate person.

Individuals may only make the SC's material public in accordance with the SC Communications Policy.

Individuals must present their personal opinions, ideas, or questions on issues that may affect the SC as their own and not those of the SC. (*See Communications Policy*).

7. Reporting Violations

Individuals aware of inappropriate or unethical behaviour by an Employee that violates or appears to violate the Code must report it to the Chair, the Chief Executive Officer, or the Executive Director, Operations & General Counsel. There will be no reprisal against any Individual for making a report in good faith; however, failure to report a violation may lead to disciplinary action.

Matters involving a Member must be reported to the Chair. Where the Chair is involved, reports must be directed to the Vice-Chair or the Chair of the Audit Committee. Reports may be sent to the Chair or the Chair of the Audit Committee in confidence. All reports,

including those involving Members or Senior Management, will be investigated with appropriate resources.

8. Responding to Incidents of Non-Compliance

Individuals are expected to adhere to the Code, as well as all of our policies, as a condition of your employment or engagement with the SC. If you violate the Code, you could be subject to disciplinary action, depending on the severity of the violation, up to and including termination of your employment or removal from office. The Chief Executive Officer is responsible for maintaining a record of incidents of non-compliance and reporting such matters at least annually to the Corporate Governance Committee. Violations of the Code by a Member will be reported to the Chair who will determine appropriate next steps taking into consideration the severity of the violation.

9. Annual Acknowledgement of Compliance

All Members and Employees are required, as a condition of their appointment or employment, to complete an annual acknowledgement agreeing to abide by the Code. No one may begin employment at the SC until she or he has read the Code and completed an acknowledgement. Individuals who sit on boards of directors or committees of any public or private business entity, or of any charitable, professional or other not-for-profit board must disclose these positions in their acknowledgement.

ROLES & RESPONSIBILITIES		
Policy Approver	OMERS Sponsors Corporation Board	Responsible for approving the Policy
Policy Sponsor	CEO, OMERS Sponsors Corporation	Ultimately accountable for the Policy, including its development, implementation, and administration
Policy Manager	Executive Director, Operations & General Counsel, OMERS Sponsors Corporation	Responsible for the design and operational effectiveness of the day to day administration of the Policy
Policy Monitor	Executive Director, Operations & General Counsel, OMERS Sponsors Corporation	Responsible for the monitoring, compliance, and reporting functions of the Policy