

OMERS SC

Code of Conduct



Michael Rolland, CEO
mrolland@omers.com

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SUMMARY

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:	October 2022
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 as necessary to clarify policies, including the Code, or to raise concerns. The

Chief Executive Officer 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. Responsibilities and 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, including:

- Fairness: Being consistent, equitable and balanced
- Integrity: Conducting business honestly and ethically
- Respect: Treating each other with dignity and trust
- Service: Exceeding our stakeholders' expectations
- Teamwork: Working together to achieve SC results

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.

Individuals must act courteously, professionally and ethically when dealing within and outside the organization. They must work to maintain a culture of cooperation, respect and trust, and fulfill their responsibilities with integrity and diligence.

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 Harassment, Discrimination & Violence Policy and Accessibility Policy)*

2.2 Accurate Records

The SC's business records must reflect a clear and accurate representation of all of 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 (Attachment 1)* and Section 5.13 of the SC's By-Law #2, which deal with conflicts of interest. However, Members are expected to disclose, 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.

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 #6 regarding compensation. Subject to the following paragraph, the receipt by a Member of compensation from the Sponsor Organization (as defined in SC By-Law #4 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 Co-Chairs if these circumstances arise.

4. Privacy and Confidentiality

All Individuals must make themselves familiar with, and comply with, the SC's Confidentiality Policy. 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. (See *Member Hardware Loaner Policy*)

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 Co-Chairs or Chief Executive Officer. 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 Co-Chair(s). Where the Co-Chair is involved, reports must be directed to the alternate Co-Chair or the Chair of the Audit Committee. Reports may be sent to the Co-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. Annual Acknowledgement of Compliance

All Members and Employees are required, as a condition of their appointment or employment, to complete an annual acknowledgement (*Appendix A for Employees and Appendix B for Members*) 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

Appendix A – Annual Employee Acknowledgement and Disclosure Statement

1. I have received a copy of or have been provided with on-line access to the SC’s Code of Conduct (the Code).
2. I have read the Code and I understand my obligations under it, including the obligation to comply with all laws and all SC policies and procedures that apply to me.
3. I agree to abide by the Code and any amendments to it that I am advised of in writing (which includes e-mail communications).
4. I acknowledge that compliance with the Code is a condition of my employment with the SC and that if I violate the Code there is a range of sanctions that may be imposed on me. For serious violations this includes termination of my employment for cause.
5. I acknowledge my ongoing obligation under the Code to report the following matters to my manager:
 - a. Any personal interest or obligation of mine that may conflict with, or be perceived as conflicting with, my duties at the SC – as soon as it occurs;
 - b. All gifts and entertainment that I receive from External Parties (as defined in section 4.2 of the Code) – on a monthly basis or as requested by my manager;
 - c. Any outside employment or business activity that I am involved in – prior to engaging in it.
6. I hold the following positions which I am required to disclose under section 8 of the Code.

(Please list any outside Board or similar positions you hold with any public or private business entity, or non-profit or charitable organization):

Name of Organization	Type of Organization (public/private business, non-profit/charity)	Position Held (director, trustee, general partner, executive committee etc.)

(Please state “none” if you have nothing to disclose. If required, attach an additional sheet)

Name (please print)

Signature

Date

Appendix B – Annual Member Acknowledgement and Disclosure Statement

1. I have received a copy of or have been provided with on-line access to the SC’s Code of Conduct (the Code).
2. I have read the Code and I understand my obligations under it, including the obligation to comply with all laws and all SC policies and procedures that apply to me.
3. I agree to abide by the Code and any amendments to it that I am advised of in writing (which includes e-mail communications).
4. I acknowledge my ongoing obligation under the Code to declare any personal interest or obligation of mine that may conflict with, or be perceived as conflicting with, my duties at the SC at the earliest opportunity.
5. I confirm that I did not accept anything of material value such as salary, commissions, fees, benefits or payments in this calendar year 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 the SC, which includes Sponsor Organizations, except as may be authorized by section 2.4 of By-Law No. 6 regarding compensation arrangements to direct remuneration received as a Board Member to Sponsor Organizations that were in effect prior to January 1, 2020.
6. I hold the following positions which I am required to disclose under section 8 of the Code.

(Please list any outside Board or similar positions you hold with any public or private business entity, or non-profit or charitable organization):

Name of Organization	Type of Organization (public/private business, non-profit/charity)	Position Held (director, trustee, general partner, executive committee etc.)

(Please state “none” if you have nothing to disclose. If required, attach an additional sheet)

Name (please print)

Signature

Date

Ontario Business Corporations Act

Attachment 1

Disclosures: Conflict of Interest

Effective date: November 5, 2014

132. (1) A director or officer of a corporation who,

- (a) is a party to a material contract or transaction or proposed material contract or transaction with the corporation;
or
- (b) is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the corporation, shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his or her interest. R.S.O. 1990, c. B.16, s. 132 (1).

by director

(2) The disclosure required by subsection (1) shall be made, in the case of a director,

- (a) at the meeting at which a proposed contract or transaction is first considered;
- (b) if the director was not then interested in a proposed contract or transaction, at the first meeting after he or she becomes so interested;
- (c) if the director becomes interested after a contract is made or a transaction is entered into, at the first meeting after he or she becomes so interested; or
- (d) if a person who is interested in a contract or transaction later becomes a director, at the first meeting after he or she becomes a director. R.S.O. 1990, c. B.16, s. 132 (2).

by officer

(3) The disclosure required by subsection (1) shall be made, in the case of an officer who is not a director,

- (a) forthwith after the officer becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of directors;
- (b) if the officer becomes interested after a contract is made or a transaction is entered into, forthwith after he or she becomes so interested; or
- (c) if a person who is interested in a contract or transaction later becomes an officer, forthwith after he or she becomes an officer. R.S.O. 1990, c. B.16, s. 132 (3).

Where contract or transaction does not require approval

(4) Despite subsections (2) and (3), where subsection (1) applies to a director or officer in respect of a material contract or transaction or proposed material contract or transaction that, in the ordinary course of the corporation's business, would not require approval by the directors or shareholders, the director or officer shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his or her interest forthwith after the director or officer becomes aware of the contract or transaction or proposed contract or transaction. R.S.O. 1990, c. B.16, s. 132 (4).

Director not to vote

- (5) A director referred to in subsection (1) shall not attend any part of a meeting of directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is,
- (a) one relating primarily to his or her remuneration as a director of the corporation or an affiliate;
 - (b) one for indemnity or insurance under section 136; or
 - (c) one with an affiliate. 2006, c. 34, Sched. B, s. 23 (1).

Remaining directors deemed quorum

- (5.1) If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of subsection (5), the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. 2006, c. 34, Sched. B, s. 23 (2).

Shareholder approval

- (5.2) Where all of the directors are required to make disclosure under subsection (1), the contract or transaction may be approved only by the shareholders. 2006, c. 34, Sched. B, s. 23 (2).

Continuing disclosure

- (6) For the purposes of this section, a general notice to the directors by a director or officer disclosing that he or she is a director or officer of or has a material interest in a person, or that there has been a material change in the director's or officer's interest in the person, and is to be regarded as interested in any contract made or any transaction entered into with that person, is sufficient disclosure of interest in relation to any such contract or transaction. 2006, c. 34, Sched. B, s. 23 (3).

Effect of disclosure

- (7) Where a material contract is made or a material transaction is entered into between a corporation and a director or officer of the corporation, or between a corporation and another person of which a director or officer of the corporation is a director or officer or in which he or she has a material interest,
- (a) the director or officer is not accountable to the corporation or its shareholders for any profit or gain realized from the contract or transaction; and
 - (b) the contract or transaction is neither void nor voidable,

by reason only of that relationship or by reason only that the director is present at or is counted to determine the presence of a quorum at the meeting of directors that authorized the contract or transaction, if the director or officer disclosed his or her interest in accordance with subsection (2), (3), (4) or (6), as the case may be, and the contract or transaction was reasonable and fair to the corporation at the time it was so approved. R.S.O. 1990, c. B.16, s. 132 (7).

Confirmation by shareholders

- (8) Despite anything in this section, a director or officer, acting honestly and in good faith, is not accountable to the corporation or to its shareholders for any profit or gain realized from any such contract or transaction by reason only of his or her holding the office of director or officer, and the contract or transaction, if it was reasonable and fair to the corporation at the time it was approved, is not by reason only of the director's or officer's interest therein void or voidable, where,

- (a) the contract or transaction is confirmed or approved by special resolution at a meeting of the shareholders duly called for that purpose; and
- (b) the nature and extent of the director's or officer's interest in the contract or transaction are disclosed in reasonable detail in the notice calling the meeting or in the information circular required by section 112. R.S.O. 1990, c. B.16, s. 132 (8).

Court setting aside contract

- (9) Subject to subsections (7) and (8), where a director or officer of a corporation fails to disclose his or her interest in a material contract or transaction in accordance with this section or otherwise fails to comply with this section, the corporation or a shareholder of the corporation, or, in the case of an offering corporation, the Commission may apply to the court for an order setting aside the contract or transaction and directing that the director or officer account to the corporation for any profit or gain realized and upon such application the court may so order or make such other order as it thinks fit. R.S.O. 1990, c. B.16, s. 132 (9).