

Credit Union Deposit Guarantee Corporation

CODE OF CONDUCT AND ETHICS

I. Introduction

The Code of Conduct and Ethics for the Credit Union Deposit Guarantee Corporation (Corporation) applies to all employees. The Code reflects a commitment to the Corporation's values and provides a framework to guide ethical conduct in a way that upholds the integrity and reputation of the Corporation. Employees are expected to behave in a way that aligns with this Code. They understand that this Code does not cover every specific scenario. Therefore, they use the spirit and intent behind this Code to guide their conduct, and exercise care and diligence in the course of their work with the Corporation

To demonstrate commitment to transparency and accountability, this Code is available to the public on the Corporation's website.

Definitions

'Employee' includes all regular and temporary employees of the Corporation.

'Associate' means the following:

- a spouse, an interdependent partner, a relative, or a relative of a spouse or interdependent partner, a personal friend/acquaintance
- a business or corporation where the employee owns 10% or more of the shares
- a partnership in which the employee owns a 10% or more interest
- a person or group of persons acting as the agent of the employee and having actual authority in that capacity

II. Core Values

- a. Employees act with impartiality and integrity.
- b. Employees demonstrate respect and accountability.
- c. Employees conduct themselves with dignity and in a professional manner.
- d. Employees practice and encourage ethics and governance best practices.

III. Guiding Principles

These principles guide the behaviour and decisions of employees:

- a. The actions and decisions of employees are made to advance the mandate and long-term interests of the Corporation.

- b. Employees are responsible stewards of corporate resources and exercise financial management.
- c. To serve the corporate interest, employees have a responsibility to uphold the Corporation's mandate.
- d. Employees have a responsibility to act in good faith and to place the interests of the Corporation above their own private interests.
- e. Employees behave in a way that demonstrates that their behaviour and actions are fair and reasonable in the circumstance.
- f. Employees enjoy the same rights in their private dealings as any other Albertan, unless it is demonstrated that a restriction is necessary in the Corporation's interest.
- g. When an employee, as an individual, is subject to more than one code of conduct, the employee must consider the expectations in all codes. Employees understand that this Code is not intended to conflict with other Codes of Conduct, and will discuss any potential conflicts with their supervisor or the Code Administrator.
- h. The Code applies to all employees of the Corporation.
- i. Employees know that when they become aware of a real or apparent conflict of interest, they must at the first opportunity disclose this conflict to their supervisor or the Code Administrator.
- j. Employees understand that disclosure itself does not remove a conflict of interest.
- k. Employees encourage their colleagues to act fairly and ethically and know that they are able to raise concerns about a suspected breach by another to their supervisor or the Code Administrator without fear of reprisal.
- l. An employee who does not comply with any provision of this Code will be subject to disciplinary action, up to and including termination of employment for cause.
- m. Employees know that if they have any questions about the Code, or are not sure how to apply these principles, they should consult with their supervisor or the Code Administrator.
- n. Each employee confirms, on an annual basis, their understanding of, and commitment to, the Code's provisions and expectations. This includes a signed acknowledgement to abide by the Code.

IV. Behavioural Standards

Behavioural standards help employees make appropriate decisions when the issues they face involve ethical considerations. Behavioural standards cannot cover all

scenarios but provide guidance in support of day-to-day decisions. All employees must adhere to the following standards:

- a. Employees must not engage in any criminal activity and must comply with all relevant laws, regulations, policies, and procedures.
- b. Employees must not use their status or position with the Corporation to influence or gain a benefit or advantage for themselves, their families, their business associates or others with whom they have a significant personal or business relationship.
- c. An employee's conduct must contribute to a safe and healthy workplace that is free from discrimination, harassment or acts of violence and abuse (physical or verbal).
- d. Employees must not use drugs or alcohol in a way that affects their performance and safety or the performance and safety of their colleagues, or that negatively impacts the reputation or business of the Corporation.
- e. Employees must act in a way that is consistent with the Corporation's protocols on public comment.
- f. Employees must take reasonable steps to avoid situations where they may be placed in a real or apparent conflict between their private interests and the interests of the Corporation. In other words, actions or decisions that employees take on behalf of the Corporation must not provide them with an opportunity to further the private interests of themselves, their families, their business associates or others with whom they have a significant personal or business relationship.

1. Confidential Information

Employees must respect and protect confidential information, use it only for the work of the Corporation and not use it for personal gain. Employees must comply with protocols that guide the collection, storage, use, transmission and disclosure of information.

- Each employee shall exercise great care to protect against the disclosure of confidential information of the business of the Corporation, unless lawfully required.
- Employees shall comply with the confidentiality requirements of the Credit Union Act, (s.16) and shall not disclose nor make known any information or documents regarding the business or affairs of a credit union or Central, or a person dealing with a credit union or Central, to any other party, except within the provisions stated in the Act.
- Employees shall protect personal information within the provisions regarding its collection, use or disclosure under all privacy legislation.
- The responsibility for maintaining the confidentiality of information or documents also includes the responsibility for making sure that such information or documents are not

intentionally nor negligently made available to unauthorized persons. This responsibility continues throughout the employment relationship and after termination of employment.

2. Conflict of Interest

Employees must carry out their duties and responsibilities in the best interest of the Corporation with the utmost integrity. It is important that there is no actual or perceived conflict between the private interest of employees and their responsibility to the Corporation and public.

Employees are required to disclose, at the earliest opportunity, situations which are or have the potential to become or may be perceived as a conflict of interest. Early disclosure to the Code Administrator provides the greatest opportunity to discreetly mitigate adverse perceptions and maintain objectivity and integrity for individual employees and the Corporation.

To avoid potential, actual or perceived conflicts employees must observe the following:

- An employee must not participate in discussions or decisions on matters in which he/she, or an associate, may have a financial interest; or may have or perceived to have a conflict of interest.
- An employee, representing the Corporation, shall not participate in business transactions with associates, nor influence other employees with the respect to the administration or award of any contracts where an employee, an associate, or a personal friend/acquaintance has a financial interest.
- An employee shall not expect nor receive any preferential treatment by a credit union for himself/herself or associate, or a personal friend/acquaintance; nor influence a credit union as a result of being an employee of the Corporation, with respect to the administration of any contracts involving business enterprises in which the employee, an associate, or a personal friend/acquaintance has a financial interest.
- An officer who is an officer of the Corporation shall not serve as a director of a credit union unless an exemption is approved by the Corporation [s.65(5) of the Credit Union Act].
- An employee may not use information obtained in the performance of his/her duties as an employee for improper personal gain or benefit, nor for the personal gain or benefit of an associate or personal friend/acquaintance.
- It is the responsibility of an employee to disclose any potential conflict of interest. Where an employee does not declare a conflict and other employees are aware that a potential conflict exists, the other employees have a responsibility to disclose the conflict to the Code Administrator.

3. Gifts and Gratuities

An employee may not solicit or accept gifts, discounts, favours or other personal advantages which are not available on the same terms to any other member of the public. Employees must not accept or receive gifts and gratuities other than the normal exchange of gifts between friends or business colleagues, tokens exchanged as part of protocol or the normal presentation of gifts to people participating in public functions.

4. Outside Activities

Employees must avoid participating in outside activities that conflict with the interests and business of the Corporation. For example:

i. Business Interests:

Employees must not hold interests in a business directly or indirectly through a relative or friend that could benefit from, or influence, the decisions of the Corporation.

ii. Employment:

Employees may take supplementary employment, including self-employment, unless such employment:

- causes an actual or perceived conflict of interest, or
- is performed in such a way as to appear to be an official act, opinion or policy of the Corporation, or
- unduly interferes with regular duties of their position, or affects their performance or impartiality with the Corporation, or
- involves the use of the Corporation's premises, equipment or supplies.

It is the responsibility of the employee to notify the Code Administrator in writing as to the nature of the supplementary employment.

iii. Political Activity:

Employees may participate in political activities including membership in a political party, supporting a candidate for elected office or seeking elected office. However, they must not participate directly in soliciting contributions for a political party. In addition, any political activity must be clearly separated from activities related to the business for the Corporation, must not be done while carrying out the business of the Corporation and must not make use of Corporation facilities, equipment or resources in support of these activities.

An employee who seeks federal, provincial, or municipal political office must take a leave of absence starting on the day after the writ of election is issued or on the day that the employee's candidacy is publicly announced, whichever is later. If elected, the employee must resign the day after the election. If not elected, the employee shall be entitled to the same or similar employment effective the day after the election.

iv. Volunteer Activity:

If employees are involved in volunteer work, the activity must not influence or conflict with decisions relating to the Corporation, must not be done while carrying out the business of the Corporation and must not make use of Corporation facilities, equipment or resources in support of these activities.

5. Pre-Separation

Employees considering a new offer of employment must be aware of and manage any potential conflicts of interest between their current position and their future circumstance, and must remove themselves from any decisions affecting their new employment.

6. Post-Separation

Once employees have left the Corporation, they must not disclose confidential information that they became aware of during their time with the Corporation and must not use their contacts with their former colleagues to gain an unfair advantage for their current circumstance.

7. Property

Employees may have limited use of the Corporation's premises and equipment for authorized incidental purposes providing such use involves minimal additional expense to the Corporation, must not be performed on the employee's work time, must not interfere with the mission of the Corporation and must not support a personal, private business.

The Corporation will provide the necessary software needs for all computer hardware to comply with the appropriate licensing terms and conditions. Employees shall not make, use, or distribute any software copies.

Any product or technology developed by employees in the course of their employment with the Corporation is the property of the Corporation, and shall remain so after termination of the employment contract.

8. Related Persons or Parties

Employees must avoid dealing with those in which the relationship between them might bring into question the impartiality of the employee.

9. Dealing with Outside People and Organizations

When dealing with anyone outside the Corporation, including public officials, employees must not compromise the integrity or damage the reputation of either the Corporation, any outside individual, business or government entity.

When communicating publicly on matters that involve Corporate business, employees must not presume to speak for the Corporation, unless prior written authorization has been provided, the views

expressed are those of the Corporation, and it is in the Corporation's desire that such views be publicly disseminated.

V. Administrative Processes

Administrative processes help employees manage ethical dilemmas, including any real or apparent conflict of interest concerns.

a. Administration

The Code Administrator receives and ensures the confidentiality of all disclosures and ensures that any real or apparent conflict of interest is avoided or effectively managed. As well, the Code Administrator is responsible for providing advice and managing concerns and complaints concerning potential breaches of the Code, including conflicts of interest within the Corporation. Even though the Corporation may have a delegated process for responding to and managing concerns, the Code Administrator is responsible for ensuring procedural fairness.

The Code Administrator for employees other than the Chief Executive Officer (CEO) is the President and CEO, as outlined in the Personnel Handbook – Code of Conduct and Ethics Policy.

The Code Administrator for the President and CEO is the Chair of the Board of Directors.

The Code Administrator for the Chair and members of the Board is the Governance and Human Resources Committee, as outlined in the Corporate Policy - Code of Conduct and Ethics for Directors.

b. Disclosure

It is the responsibility of each employee to declare in writing to the Code Administrator those private interests and relationships that they think could be seen to impact the decisions or actions they take on behalf of the Corporation. When there is a change in their responsibilities within the Corporation or in their personal circumstance, employees shall disclose in writing any relevant new or additional information about those interests as soon as possible. Where a real or apparent conflict of interest cannot be avoided, employees must take the appropriate steps to manage the conflict.

Employees disclose these real or apparent conflicts of interest so that the Code Administrator is aware of situations that could be seen as influencing the decisions or actions they are making on behalf of the Corporation. This provides employees, following a review by the Code Administrator, an opportunity to take action to minimize or remove the conflict. To actively manage a conflict of interest, options include:

- removing themselves from matters in which the conflict exists or is perceived to exist;
- giving up the particular private interest causing the conflict; and,
- in rare circumstances, resigning their position with the Corporation.

- c. Reporting a Potential Breach by Another
Employees are encouraged to report in writing a potential breach of this Code by another to their supervisor, senior management or the Code Administrator. When reporting a potential breach in good faith and with reasonable grounds, employees are protected from reprisal or retribution for such reporting.
- d. Responding to Potential Breach
Once a potential breach has been reported, the Corporation's procedures for responding to and managing a potential breach will be promptly initiated. The Code Administrator will review the circumstance and details of the potential breach and will notify the alleged employee. The alleged employee has the right to complete information and the right to respond fully to the potential breach. The identity of the reporter will not be disclosed unless required by law or in a legal proceeding. The Code Administrator makes a decision and completes a report in a timely manner. The decision may range from finding no potential breach to one that reveals suspected criminal conduct.
- e. Consequences of a Breach
Employees who do not comply with the standards of behaviour identified in this Code, including taking part in a decision or action that furthers their private interests will be subject to disciplinary action up to and including termination of employment for cause.
- f. Review of a Decision
An employee can request in writing that the Chair of the Board review the decision made by the Code Administrator about a real or apparent breach of the Corporation's Code of Conduct, including conflict of interest involving that employee.

VI. Other Resources

- a. Where to Get Advice
When employees require advice and guidance in determining whether misconduct or a conflict exists, or need clarification, they may discuss their issue with:
- the departmental vice president
 - the Vice President, Finance & Corporate Services
 - the Code Administrator for employees, or
 - the Privacy or Compliance Officer
- b. Questions to Consider
When employees are faced with a difficult situation, the following questions may help them decide the right course of action:
- Have I reflected on or consulted with my supervisor, a VP or the Code Administrator about whether I am compromising the Code's values, principles or behavioural standards?
 - Have I considered the issue from a legal perspective?
 - Have I investigated whether my behaviour aligns with a policy or procedure of the Corporation?

- Could my private interests or relationships be viewed as impairing my objectivity?
- Could my decision or action be viewed as resulting in personal gain, financial or otherwise?
- Could my decisions or actions be perceived as granting or receiving preferential treatment?

VII. Affirmation

The Code of Conduct and Ethics for the Credit Union Deposit Guarantee Corporation was introduced on January 13, 1998 and is reaffirmed annually by the Board to ensure it remains current and relevant.