

# Toronto Finance International Code of Conduct

## 1. Introduction

Employee and Board compliance with high ethical standards and legal obligations is fundamental to the preservation of Toronto Finance International (“TFI” or the “Company”) reputation for integrity, which in turn is fundamental to the Company’s success.

## 2. Principles

Toronto Finance International is committed to meeting the highest standards of conduct and ethical behaviour.

TFI personnel shall treat all TFI stakeholders without discrimination and with respect, dignity and professionalism without regard to race, age, gender, religion, national origin, medical condition, physical or mental disability, ancestry, marital status, sexual orientation or citizenship.

TFI personnel shall adhere to all applicable standards of professional practice and ethical behavior in carrying out the business of the Company and should not feel forced or compelled to take part in unethical, improper or illegal conduct.

## 3. Authority

This Code of Conduct and Ethical Responsibilities Policy (the “Code”) applies to all officers, directors and employees of TFI including both permanent and temporary employees either full or part-time (collectively, “Directors and Employees”).

The Code represents TFI’s minimum standards of conduct of such Directors and Employees.

This Policy is issued under the authority of the Board of Directors and is consistent with and subject to the Company’s By-laws and is subject to all applicable employment legislation.

This Policy will be reviewed every two years or when there is a material change in circumstance.

## 4. Conflicts of Interest

A conflict of interest is defined as a person or entity having two or more interests that are inconsistent.

Directors and Employees should take special care to ensure they identify and avoid any situation of actual or perceived conflict of interest.

Without limiting situations of actual or perceived conflict of interest, a conflict of interest will occur when an officer, director, or employee allows any interest, personal relationship, or activity to:

- Influence his or her judgement when acting on behalf of TFI;
- Diminish the efficiency with which he or she performs regular business duties; or
- Harm or impair TFI’s financial or professional reputation.

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Similarly, a conflict of interest can arise when an Director or Employee or his or her family members or associates competes against TFI, diverts business from TFI or benefits personally at the expense of TFI or a TFI member.

Directors and Employees are not permitted to participate in any activity that creates a conflict or gives the appearance of a conflict of interest.

When employees are unclear whether a conflict exists, they are required to discuss the situation with the President and CEO or the CFO, whereas officers and directors should contact the Board Chair.

The most common examples of Conflicts of Interests are discussed in the headings that follow. The list below is not exhaustive.

## a. Gifts and Entertainment

Giving and/or receiving gifts or other benefits (including entertainment) may give rise to a conflict, especially when the gift or other benefit is of significant value (i.e. greater than \$100).

Directors and Employees may not offer or accept gifts or other benefits under circumstances that may have the effect of influencing such Director or Employee in conducting business.

Furthermore, giving or receiving cash or cash equivalents is prohibited in all circumstances.

When giving and/or receiving gifts or other benefits, Directors and Employees are responsible for ensuring that the practice is done out of business consideration and relationship building and in no way creates a situation where one party feels obliged to the other party or creates a real or perceived conflict of interest.

All gifts received beyond those provided through the attendance at an event (i.e. conference handouts are not to be reported) must be reported to the Vice President Finance and Operations.

Gifts received by employees are to be shared within the office to the benefit to all TFI personnel.

## b. Outside Activities

Employees are expected to identify and avoid any outside interest or activity that will interfere with their duties at TFI. Generally, outside activities should not:

- Significantly encroach on time or attention that employees devote to their duties;
- Adversely affect the quality of their work;
- Compete with TFI's business activities;
- Involve any significant use of TFI's equipment, facilities, or supplies;
- Imply TFI's sponsorship or support (including the use of TFI stationary for personal purposes); or
- Adversely affect the reputation of TFI.

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Employees must discuss with their manager prior to becoming involved in any outside business activity that may interfere with their duties at TFI. Written consent must be obtained from either the President and CEO or the Board Chair before engaging in any such outside business activity. A copy of the consent must be provided to the CFO for the employee's personnel file. Employees are encouraged to contact the President and CEO or the Board Chair to clarify any potential conflicts.

### c. Accepting Honoraria

Employees are not permitted to accept cash honoraria for their public speaking or writing services on TFI's behalf.

Employees may accept non-cash honoraria of modest value (less than \$100) and reimbursement of related expenses.

## 5. Dealing with Members, Prospects and Suppliers

### a. Business Relationships with Members, Prospects, and Suppliers

Employees should be scrupulously honest and fair in all dealings with TFI, its members, its prospects, and its suppliers.

Employees must not take for themselves or direct to others any existing business or any opportunities for prospective business that could be considered by TFI.

### b. Business Decisions

Employees must not permit a decision about whether TFI will do business with a present or prospective client or supplier to be influenced by unrelated interests.

Decisions relating to placing TFI's business with present or prospective members and suppliers, and the volume of any such business, must be based solely on business considerations.

### c. Use of Name, Letterhead or Facilities

Employees must be careful to ensure that members, suppliers and other employees do not exploit their relationship with TFI and that its name is not used in connection with any fraudulent, unethical, dishonest or unauthorized transactions.

In addition, employees must not use TFI's name, letterhead, electronic media, or any of TFI's intellectual property or facilities to endorse or recommend clients, suppliers or prospects to third parties.

All communications, business correspondence, marketing materials, websites and presentations should be prepared in accordance with policies that address corporate identity and TFI's brand.

## 6. Compliance with the Law

### a. Upholding the Law

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All employees are required to uphold and comply with the law and any other requirements established by TFI (including TFI Policies, operating procedures, and the Code).

Employees must not knowingly assist in any activity that is criminal.

Any Director or Employee who is charged with or found guilty of a criminal offence or who is sanctioned by a regulatory agency must immediately notify the Board Chair and the President and CEO.

## 7. Conduct

### a. Fraud

Fraud prevention is a shared responsibility of all employees of TFI. Employees must actively participate in the prevention, detection and management of fraud and employees are required to report all incidents of fraud to the President and CEO and to Vice President Finance and Operations.

### b. Harassment and Discrimination

All TFI Directors and Employees must read, and conduct themselves consistently with, TFI's Workplace Violence and Harassment Policy.

### c. Alcohol and Drugs

Employees are prohibited from possessing or being under the influence of illegal drugs while on company premises or when participating in TFI sponsored events.

The consumption of alcohol is prohibited on TFI's premises except at designated functions that have received approval from the President and CEO.

- If employees consume alcohol at a TFI function, they are required to do so responsibly and must not use any means of transportation that jeopardizes their safety or the safety of others after so consuming.

### d. Dealing with TFI Assets

Employees must make every effort to protect TFI property and assets from theft, loss or misuse, especially those that are in their custody or control.

These property and assets include negotiable instruments, securities or certificates, equipment, TFI records, client or employee information or computer resources and information systems.

These property and assets also include the following that must not be shared with outside parties:

- Confidential information about TFI
- Information between TFI and its members, employees or vendors; and
- All Developments which the employee may have conceived or made, either alone or jointly with others, during the term of his employment by TFI, whether in or out of regular office hours, and whether on or off the premises of TFI.

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## **8. Contravention of the Code**

All employees must be aware of and understand the provisions of the Code as well as all other TFI policies.

Contravention of the Code may result in disciplinary action up to and including termination of employment for cause, in addition to possible civil, criminal or regulatory action.

Contravention of the Code may also impact performance assessment and total compensation.

### **a. Reporting Violations**

Directors and Employees are required to report actual or apparent violations.

Failure to report actual and apparent contraventions of the Code may result in disciplinary action up to and including termination of employment for cause, in addition to possible civil, criminal or regulatory action.

Employees are protected by the provisions in the Whistleblower Policy and that Policy provides procedures to report, among other activities and situations, Code violations.

## **9. Exceptions to the Code**

Some situations may warrant making exceptions to these requirements.

Director requests for exceptions must be approved by the Board Chair and Employee exceptions must be approved by the President and CEO.

## **10. Annual Certification**

All employees are required to complete an annual certification as a condition of employment acknowledging that they have read and understand the general standards described within the Code and that he or she agrees to comply with them (provided in Appendix E).

The completed Certification is to be provided to the Director of Finance.