

**DEVELOPMENT FINANCE INSTITUTE CANADA (DFIC) INC.  
INSTITUT DE FINANCEMENT DU DÉVELOPPEMENT CANADA (IFDC) INC.**

**CODE OF BUSINESS ETHICS AND CODE OF CONDUCT**

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**DFI CANADA'S CODE OF BUSINESS ETHICS**

## **Legal and Ethical Business Conduct**

Development Finance Institute Canada (DFIC) Inc. / Institut de financement du développement Canada (IFDC) Inc. (“DFI Canada”) will conduct its business and affairs in accordance with the letter and spirit of all applicable laws in the countries in which it does business. If a DFI Canada employee is uncertain as to the interpretation or application of a particular law, he or she must seek advice from Export Development Canada (“EDC”) Legal Services before taking action. Compliance with applicable law may, however, fall short of the standard of ethical business conduct expected by DFI Canada.

DFI Canada is committed to the highest standards of ethical business conduct and to carrying out its mandate in a socially responsible manner consistent with its corporate values. It is DFI Canada’s policy that each of its directors and employees conduct DFI Canada’s business and manage the relationship with DFI Canada's customers, shareholder and other stakeholders, with honesty, integrity, fairness and transparency that will withstand the highest degree of public scrutiny, weighing responsibilities to all stakeholders.

## **Environmental and Social Risk Management**

DFI Canada strives to be a recognized leader in the practices relating to review of environmental and social effects, impacts and risks it applies in the pursuit of its mandate. DFI Canada’s Environmental and Social Assessment Policy articulates the measures it employs to fulfill this commitment, while not unduly hindering DFI Canada's ability to achieve its mandate. In addition, DFI Canada advocates best practices with its counterparts and strives for high standards of mitigation and monitoring of projects it supports.

## **Prohibitions against Bribery and Corruption**

Criminal statutes of virtually all countries prohibit bribery.

Under no circumstances will DFI Canada, directly or indirectly, knowingly give, offer or agree to give or offer a bribe or otherwise knowingly contravene any applicable law relating to bribery or other corruption.

Further, DFI Canada will not knowingly support a transaction that involves the offer or giving of a bribe, will exercise reasonable diligence and care not to unknowingly support such a transaction, and will exercise reasonable due diligence to ascertain and address situations where parties associated with certain transactions involving DFI Canada support have been convicted of bribery.

Additional Guidance:

- [Criminal Code](#)
- [Convention on Combating Bribery of Foreign Public Officials in International Business Transactions](#)
- [Corruption of Foreign Public Officials Act](#)

## **Respect for Human Rights**

DFI Canada values human rights and provides its products and services with a view to the promotion and protection of internationally-recognized human rights, consistent with the policies of the Government of Canada. DFI Canada recognizes that financial institutions must endeavour to assess the impact that investment projects may have on individuals, acknowledging that the impact of such projects can include significant, direct and negative effects on the human rights of individuals.

DFI Canada employees, customers and other stakeholders are entitled to be treated with dignity and respect. They are entitled to work in an environment free from intimidation, hostility or offensiveness. DFI Canada is therefore committed to creating and maintaining a work and business environment that is free from harassment and discrimination on prohibited grounds. These prohibited grounds are: race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender, identity or expression, marital status, family status, genetic characteristics, disability, and conviction for an offence for which a pardon has been granted.

Additional Guidance:

- [Human Rights Act](#)

## **Anti-Money Laundering and Anti-Terrorist Measures**

Countries around the globe recognize the social, economic and political consequences of financial crime and its impacts on public trust in the integrity of financial institutions and government entities. Concerted action is being taken to address financial crime, including laws and regulations aimed at financial institutions deterring, preventing and detecting money laundering and terrorist financing risks.

DFI Canada will not knowingly participate in any money laundering scheme, and will undertake reasonable due diligence to deter, prevent and detect money laundering and terrorist financing risks in its transactions, including screening against relevant lists issued by international authorities.

### **Avoiding Conflicts of Interest**

DFI Canada is committed to adhering to the highest standards of conduct with respect to real and perceived conflicts of interest. The judgment of DFI Canada employees and directors must be, and must be seen to be, independent of any personal or financial interests that arise from business dealings, social ties or other personal considerations. For this reason DFI Canada developed conflict of interest rules for its employees and directors, including rules set out in DFI Canada's Code of Conduct that require employees and directors of DFI Canada to adhere to the highest standards of conduct with respect to conflicts of interest.

### **Maintaining Confidentiality of Information**

DFI Canada has access to confidential information that, if released, could significantly harm DFI Canada's shareholder, customers or other stakeholders. Therefore, DFI Canada will use extreme care when handling such information. DFI Canada will not provide confidential information to anyone outside of DFI Canada and EDC who is not legally entitled to receive it, or bound contractually or by professional obligation to maintain it as confidential. As a general rule, confidential information will only be disclosed within DFI Canada on a need-to-know basis.

DFI Canada will respect the privacy rights of individuals, including its employees, and their right to the protection of personal information. DFI Canada will collect, use and disclose such personal information only in accordance with the federal Privacy Act for directly related business purposes and where there is a demonstrated need to know.

DFI Canada is subject to the *Access to Information Act*. Records collected, created or otherwise obtained by DFI Canada may be accessible under the *Access to Information Act*.

DFI Canada's Code of Conduct provides examples of confidential information and contains stringent rules regarding the disclosure, use and communication of such information.

Additional Guidance:

- [Privacy Act](#)
- Privacy Policy
- [Privacy Notice \(see DFI Canada website\)](#)
- [Access to Information Act](#)
- [Disclosure Policy](#)

Questions or concerns relating to the Code of Business Ethics shall be directed to DFI Canada's Chief Compliance & Ethics Officer or his/her delegate(s).

**DFI CANADA'S CODE OF CONDUCT**

## **I. ETHICAL STANDARDS**

Development Finance Institute Canada (DFIC) Inc. (“DFI Canada”) is dedicated to the principles of ethical and legal business conduct.

Compliance with high ethical standards, as well as with the legal and regulatory obligations to which DFI Canada is subject in all countries in which it does business, is fundamental to the preservation of DFI Canada’s reputation for integrity.

DFI Canada’s reputation must be protected continuously by conducting all of DFI Canada’s business in a fair and honest way, and by complying with not only the letter, but also the spirit, of the law. DFI Canada’s commitments in this regard are set out in the Code of Business Ethics.

DFI Canada’s reputation as a responsible corporate citizen is built by its employees and rests in the hands of its employees. This Code describes the conducts and behaviours which each employee is expected to comply with in order to enable DFI Canada to meet its commitments under the Code of Business Ethics. In addition to ensuring that they comply with the specific rules outlined in this Code, employees should always act on behalf of DFI Canada in ways that enhance rather than harm DFI Canada’s reputation for integrity.

## **II. AUTHORITY AND APPLICATION**

### **A. Authority**

This Code of Conduct (the “Code”) has been approved by the Board of Directors of DFI Canada. The policies and procedures set forth in this document may be periodically updated by the Board of Directors in response to changes in legal, regulatory and market environments. Employees will be notified of such revisions. Minor administrative amendments may be made to the Code by the Managing Director. The Managing Director will report to the Board on all such amendments.

In addition, the government of Canada has implemented the Values and Ethics Code for the Public Sector (“Public Sector Code”) that sets out high-level principles. The portion of the Public Sector Code applicable to DFI Canada employees is attached as an Annex to this Code. This Code and the Public Sector Code are sometimes together referred to as the “Employee Codes”.

This Code sets forth certain policies and procedures governing employee ethics, conflicts of interest, confidential information, insider trading and related matters. The Code is intended to protect: (i) DFI Canada’s reputation for integrity, (ii) DFI Canada’s and its customers’ business interests, and (iii) DFI Canada and its employees from legal liability.

The Chief Compliance & Ethics Officer (“Chief Compliance & Ethics Officer”) has overall responsibility for (i) overseeing awareness initiatives to ensure understanding of the Code by employees, leaders and members of the Board of Directors; (ii) providing direction and oversight to employees, leaders and members of the Board and (iii) overseeing and managing the implementation of policies, procedures and guidelines under the Code.

## **B. Application**

### **1. Employees**

Every employee is expected to be familiar with and to adhere to the Employee Codes and each and every requirement of the Employee Codes as a condition of his/her employment, which requirements shall be of general application without exception. In addition, each employee shall be required upon commencement of employment and annually thereafter to sign an acknowledgment and agreement confirming his/her understanding of and compliance with the Code and the Public Sector Code.

Each employee shall participate at least annually in the training provided by DFI Canada with respect to the Employee Codes and their application. A report shall be made at least annually to the Board of Directors on the status of the annual acknowledgement and agreement by employees, and the training provided.

For purposes of the Employee Codes, “employees” includes all DFI Canada officers and employees (permanent and contract, including those on secondment to DFI Canada from other organizations), whether employed prior to or after adoption of this Code. Employees should note the provisions of Part IV relating to obligations regarding Confidential Information and other matters continue to apply even when they are no longer employed at DFI Canada.

For the purposes of this Code, where approval by or disclosure to an employee’s Leader is required, “Leader” means the Managing Director.

## 2. Directors

Every director of DFI Canada is expected to be familiar with the Code and each and every requirement of the Code.

However, given that directors are not full-time employees of DFI Canada, each director is expected to adhere only to those Code requirements which are specifically identified as applicable to them. This includes certain requirements of Section III-B related to particular guidelines on Conflicts of Interest (subsections III-B 1, 3 and 4), and Sections III-H (regarding dealings with customers and the public in general), Part IV (regarding Confidential Information) and Part V (regarding Insider Trading, Tipping and Rumours), as well as to the spirit of the other provisions of the Code.

Directors are not subject to the Public Sector Code.

In the case of directors, confidential disclosures required to be made under the Code shall be made to the Board of Directors. Further, each director shall be required upon appointment and annually thereafter to sign an acknowledgment and agreement confirming his/her understanding of and compliance with the Code, as applicable. Each such acknowledgment and agreement shall be tabled at the first meeting of the Board of Directors following its receipt by the Secretary of DFI Canada.

Directors are reminded that under the Criminal Code of Canada, it is an offence to demand, accept or offer, or agree to accept from a person who has dealings with DFI Canada or the government of Canada, a commission, reward, advantage or benefit of any kind, directly or indirectly, without the consent in writing of the head of the institution. This can include, for example, payment for employment with or services to a company that deals with either DFI Canada or the government of Canada, or gifts, hospitality or any other benefits from such a person or company. For the purposes of s. 121(1)(c) of the Criminal Code or any other Canadian statute requiring such consent, the consent of the head of DFI Canada is deemed to have been given if directors disclose such benefit on a transaction basis, or by way of a standing declaration, and such disclosure is tabled at a meeting of the Board of Directors.

### **C. Interpretation and Determinations**

In several instances under the Code, it is incumbent upon employees to assess whether or not certain requirements of the Code would have an impact on situations with which employees may be confronted. If, in these situations (or otherwise generally), employees have any uncertainty or doubt as to whether a provision of this Code is applicable or how a provision should be interpreted or where they have any other questions, they should, before the intended action is taken, seek clarification. Such clarification may be obtained from the Managing Director or the Chief Compliance & Ethics Officer or his/her delegate. In any instance under the Code where a determination must be made by an employee, the Chief Compliance & Ethics Officer or the Managing Director, such determination shall be made considering the matter as an independent third party, acting reasonably.

Any violation of the policies and procedures set forth in the Code will subject the employee involved to consequences as described in Part VII, up to and including dismissal, as well as possible criminal prosecution or civil liability.

## **III. CONFLICTS OF INTEREST**

### **A. General rule**

Employees are expected to adhere to the highest standards of conduct with respect to conflicts of interest, outside activities, the acceptance of gifts and hospitality, and in all dealings with both DFI Canada's customers and the public.

Every employee must avoid any conflict or even the perception of a conflict between his or her personal interests and the advancement of DFI Canada's business interests or the interests of its customers. The conduct of DFI Canada employees in the course of their DFI Canada business activities must be, and must be seen to be, independent of any personal interests whether such personal interests arise from business, social, financial or political considerations.

Employees must take all possible steps to prevent and resolve any real, apparent or potential conflicts of interest between their official responsibilities and their private affairs in favour of the public interest.

As noted previously, directors shall comply with those provisions of this Part III which are applicable to them.

## **B. Particular guidelines**

To ensure that the personal interests of employees and directors do not conflict, or appear to conflict, with the interests of DFI Canada or its customers,

### 1. Employees and directors shall:

- (a) perform their duties and arrange their private affairs in such a manner that the public's confidence and trust in the integrity, objectivity and impartiality of DFI Canada and its employees and directors are conserved and enhanced;
- (b) act in a manner that will bear the closest public scrutiny, and recognize that this obligation is not fully discharged by simply adhering to the relevant provisions of legislation of general application, such as the Criminal Code and the Financial Administration Act;
- (c) on appointment and thereafter, arrange their private affairs in such a manner as to prevent, and take such additional action as may be necessary to prevent, real, apparent or potential conflicts of interest from arising, and if such a conflict does arise between the private interests of an employee or director and the duties and responsibilities of that individual as an employee or director, the conflict shall be resolved in favour of the interests of DFI Canada; and
- (d) comply with the standards of conduct set forth in the Code through avoidance, discontinuance, divestment or by otherwise acting upon such directions as the Managing Director (or the Board Chairperson, in the case of a director) may give following confidential disclosure;

### 2. Employees shall not:

- (a) except in accordance with the procedures outlined in Section III-C regarding outside business roles, employment and business activities, accept a directorship or accept a position as an officer or partner in an entity; or accept outside business roles or employment or undertake other business-related activities; or
- (b) except in accordance with the procedures outlined in Section III-F regarding gifts, hospitality and other benefits, solicit or accept cash, gifts or other benefits from a client, supplier, individual or organization that has an actual or potential business relationship with DFI Canada;

3. Employees and Directors shall not:

- (a) step out of their official roles to assist private entities or person in dealings with DFI Canada where this would result in preferential treatment to any such entity or person;
- (b) directly or indirectly use, or allow the use of, DFI Canada property of any kind, including property leased to DFI Canada, for anything other than officially approved activities, or misappropriate the property of DFI Canada for the employee's or director's own use, the use of another or for an improper or illegal purpose, or sell, convey or dispose of any record, voucher, money or thing of value belonging to DFI Canada without DFI Canada's authorization;
- (c) directly or indirectly use, or allow the use of any opportunities (i.e. business, investment or other opportunities) discovered in the course of their duties, for anything other than officially approved activities, or misappropriate any such opportunities for the employee's or director's own use or the use of another; or
- (d) act, after they leave DFI Canada's employment or cease to be a director, in such a manner as to take improper advantage of their previous position. Without limiting the generality of the foregoing, the obligations of Confidentiality contained in Part IV shall continue to apply following their leaving DFI Canada's employment or ceasing to be a director, as applicable, to information obtained in the course of their duties at DFI Canada. All employees have a responsibility to minimize the possibility of real, apparent or potential conflict of interest between their most recent responsibilities at DFI Canada and any subsequent employment.

4. Directors shall not:

- (a) own 10 per cent or more of any entity doing business with DFI Canada without reporting such investment to the Board by way of transaction-specific declaration or a standing declaration; or
- (b) demand, accept or offer, or agree to accept from a person who has dealings with DFI Canada or the government of Canada, a commission, reward, advantage or benefit of any kind, directly or indirectly, without the consent in writing of the head of DFI Canada, which may be obtained in the manner described in section II-B(2).

## **C. Outside Roles, Employment and Other Activities**

### **1. Confidential disclosure**

On commencing employment with DFI Canada, and thereafter whenever there is a change in circumstances, every employee shall make a confidential disclosure to (i) the Managing Director respecting all directorships and positions as an officer or partner in an entity (other than such positions in a charitable or not-for-profit organization); and (ii) to the Managing Director respecting all outside employment and other activities of a business or profit-oriented nature; and all directorships and positions as an officer in a charitable or not-for-profit organization.

### **2. Outside Business Roles, Employment and Business Activities**

An employee shall not (i) accept any directorship or positions as an officer or partner in an entity (other than such positions in a charitable or not-for-profit organization) unless he/she receives the approval of the Managing Director or (ii) commence participation in outside employment or other activities of a business or profit-oriented nature unless he/she receives the approval of the Managing Director.

In considering a request for such approval, the Managing Director shall assess whether acceptance of such directorship, officer or partner position, or participation in such role or in such outside employment or other business activity:

- (a) may constitute or constitutes a real, apparent or potential conflict of interest; or
- (b) results or may result in a decrease in performance or a decline in the quality of work produced at DFI Canada by the employee; or
- (c) affects or may affect that employee's capacity to perform his/her duties and responsibilities objectively and impartially.

In addition, an employee must discontinue or modify his/her participation in such directorship, officer or partner position, outside employment or other business activity if at any time the Managing Director determines that continued participation in such role or in such outside employment or other business activity:

- (a) constitutes a real, apparent or potential conflict of interest; or
- (b) results in a decrease in performance or a decline in the quality of work produced at DFI Canada by the employee; or
- (c) affects that employee's capacity to perform his/her duties and responsibilities objectively and impartially.

No less frequently than twice each year, the Chief Compliance & Ethics Officer shall provide to the Managing Director a report of any approvals given by him/her under this section during the preceding period.

For the purposes of s. 121(1)(c) of the Criminal Code of Canada or any other Canadian statute requiring the consent of the head of an institution in order to allow an employee to accept remuneration for acting as a director, officer or partner, or for outside employment or other activities of a business or profit-oriented nature as are permitted hereunder, compliance with this provision will be considered as being the required consent of the Managing Director.

### 3. Other Activities

An employee shall not accept or commence participation in, and shall discontinue or modify participation in other outside activities (including a directorship, officer or partner position in a charitable or not-for-profit organization) where the employee determines, or where, at any time following a confidential disclosure, the Managing Director determines, that such participation in outside activities:

- (a) may constitute or constitutes a real, apparent or potential conflict of interest; or
- (b) results or may result in a decrease in performance or a decline in the quality of work produced at DFI Canada by the employee; or
- (c) affects or may affect that employee's capacity to perform his/her duties and responsibilities objectively and impartially.

If an employee has questions as to whether any of these circumstances apply, he or she should, before the intended action is taken, seek clarification from the Managing Director or the Chief Compliance & Ethics Officer or his/her delegate(s).

## **D. Employee Assets and Liabilities**

### 1. Disclosure of Assets and Liabilities

On commencing employment with DFI Canada, and thereafter (i) whenever an asset is acquired or a liability is assumed; or (ii) the nature of an asset or liability held by the employee changes, in either case so as to require disclosure in accordance with this Section III-D, every employee shall make a confidential disclosure to the Managing Director.

- (a) Assets not requiring disclosure: Assets for the private use of employees and their families, and assets that are not of a commercial character do not fall within the scope of this Code and need not be disclosed. Such assets include:
- (i) residences, recreational property and farms used or intended for use by employees or their families; household goods and personal effects; works of art, antiques and collectibles; automobiles and other personal means of transportation;
  - (ii) Registered Retirement Savings Plans that are not self-administered; investments in open-ended mutual funds; guaranteed investment certificates and similar financial instruments; cash and deposits; Canada savings bonds and other similar investments in securities of fixed value issued or guaranteed by any level of government in Canada or agencies of those governments;
  - (iii) annuities and life insurance policies; pension rights; and money owed by a previous employer, client or partnership.
- (b) Assets requiring disclosure: The following types of assets and liabilities must be disclosed unconditionally:
- (i) loans received directly or indirectly from, or loans granted directly or indirectly to, persons doing business with DFI Canada or persons having an interest in a person doing business with DFI Canada (other than loans received from financial institutions in order to acquire assets of the type noted in section (a) above);
  - (ii) direct or indirect interests in partnerships, proprietorships, joint ventures, private companies and family businesses doing business with DFI Canada
  - (iii) direct or indirect ownership interests amounting to 10 per cent or more of any entity;
  - (iv) direct and contingent liabilities in respect of any of the assets described above; and
  - (v) any other assets and liabilities where the value of such assets or liabilities is in an amount or amounts such that a well informed person could reasonably conclude that such ownership might influence an employee's behaviour in the exercise of his or her duties as an employee of DFI Canada.

The following are examples of types of assets and liabilities the disclosure of which will depend upon individual circumstances. These must be disclosed if the employee determines that any of the circumstances outlined in the first part of this paragraph (v) apply:

- direct or indirect ownership of publicly traded securities of corporations, in particular the securities of corporations doing business with DFI Canada, and of foreign governments, and self-administered Registered Retirement Savings Plans composed of such securities;
- interests in partnerships, proprietorships, joint ventures, private companies and family businesses that own or control shares of public companies;
- farms under commercial operation;
- real property that is not a residence, recreational property and farm used or intended for use by employees or their families;
- commodities and futures held or traded for speculative purposes; and
- direct and contingent liabilities in respect of any of the assets described above.

If an employee has questions as to whether any of these circumstances apply, he or she should, before the intended action is taken, seek clarification from the Managing Director or the Chief Compliance & Ethics Officer or his/her delegate(s).

## 2. Divestiture and Termination

An employee shall divest assets and terminate liabilities where the employee determines or where, following a confidential disclosure, the Managing Director determines, based upon the criteria set out below, that such assets or liabilities constitute a real, apparent or potential conflict of interest. If no direction is given by the Managing Director, no action by the employee is required.

Assets are usually divested either by selling them in an arm's length transaction or by making them subject to a trust arrangement, provided the trust arrangement is approved by the Managing Director. An employee shall not sell or transfer assets to family members or other persons for the purpose of circumventing the conflict-of-interest compliance procedures set out in this Code. With the approval of the Managing Director, DFI Canada may reimburse an employee for trust costs incurred for the purposes of complying with these requirements.

In deciding upon the direction, if any, to be given the employee, the Managing Director shall take into account all relevant factors, including:

- (a) the specific duties and responsibilities of the employee;
- (b) the level of direction to which the employee is subject in the performance of his/her duties and responsibilities and the decision-making authority the employee has; and
- (c) the value and type of assets and liabilities involved.

## **E. Other Obligations and Disclosures**

Officers and directors of DFI Canada are reminded that, in addition to their obligation to comply with the requirements of this Code, Section 115 of the Financial Administration Act (the “FAA”) and section 122 of the Canada Business Corporations Act (the “CBCA”) imposes a fiduciary duty of good faith on officers and directors, and Sections 116 and 117 of the FAA and section 120 of the CBCA envisage the disclosure by officers and directors of any real, apparent or potential conflict of interest with DFI Canada.

Other disclosures may be required by directors and the Managing Director of DFI Canada, including disclosure of certain related party transactions under financial reporting standards applicable to DFI Canada. For further information contact the Chief Compliance & Ethics Officer or his/her delegate(s).

## **F. Gifts, Hospitality and Other Benefits**

Acceptance by an employee of offers of gifts, hospitality or other benefits (i) arising out of activities associated with the performance of his/her duties and responsibilities at DFI Canada, or (ii) not arising out of activities associated with the performance of his/her duties and responsibilities at DFI Canada but that are offered by persons, groups or organizations having dealings with DFI Canada or with the government of Canada, is permitted only if such gifts, hospitality or other benefits:

- (a) have an estimated value less than \$100 in the case of individual gifts, hospitality and other benefits, and less than \$100 in aggregate per year of gifts, hospitality and other benefits from a single source; or
- (b) are authorized by the Managing Director in the case of gifts, hospitality or other benefits, having an individual estimated value of \$100 or more, or having an estimated value in aggregate per year of \$100 or more from a single source; or
- (c) are authorized by the Managing Director in the case of gifts, hospitality or other benefits having an individual estimated value of \$300 or more, or having an estimated value in aggregate per year of \$300 or more from a single source; and

in any case, such gifts, hospitality or other benefits:

- (i) are within the bounds of propriety, or a normal expression of courtesy, or within the normal standards of hospitality, or offered generally to the public as part of a promotional plan;
- (ii) would not be such as to bring suspicion on the employee's objectivity and impartiality;
- (iii) would not compromise the integrity of DFI Canada; and
- (iv) would not influence the employee in his/her judgment or performance of his/her duties and responsibilities at DFI Canada.

Employees should note that the following types of gifts and benefits would in almost all circumstances, fail to meet the foregoing tests and are accordingly **prohibited**: cash, goods or services at reduced prices, work performed gratuitously, preferred treatment of any kind in a business enterprise, and loans of money, material or equipment on a preferential basis.

In addition, with the exception of fundraising for charitable organizations which has been approved in advance by the Managing Director, the solicitation of any such gifts, hospitality or other benefits is not permitted.

Acceptance by employees of hospitality in the form of receptions, business luncheons or dinners, or of invitations to entertainment or sporting events, for the purpose of broadening business contacts or facilitating the discussion of matters of importance to DFI Canada is not prohibited, where such hospitality is clearly within the bounds of propriety and not liable to cast doubt on the employees' objectivity, and (if applicable, based upon the value of the hospitality as set out in Section III-F (b) and (c)) has been authorized by the Managing Director.

The value of meals, receptions, etc. which are included as part of a conference or education session, the attendance and payment for which has been approved in accordance with DFI Canada policy, does not need to be separately approved or reported. However, if an employee attends an event for which no fee is paid, then the value of any gifts, hospitality or other benefits associated with that event, together with the value of the event itself, if applicable, must be included in determining whether approval is required, and by whom.

Where a benefit has no monetary value, or does not involve an out-of-pocket cost to the provider (including, for example, simple favours and courtesies, but not including educational sessions and similar events made available using a provider's own resources or facilities), it may be accepted by the employee if it meets the tests outlined in sections (i)-(iv) above.

Where it is not possible to decline gifts, hospitality or other benefits which are unauthorized or which would have required advance approval, or where such action is likely to be construed as discourteous, employees shall immediately report the matter to Managing Director, who may consult with the Chief Compliance & Ethics Officer. The Managing Director may require that a gift of this nature be retained by DFI Canada or be disposed of for charitable purposes.

Each employee who receives any gifts, hospitality or other benefits shall maintain a record of such gifts, hospitality and benefits, whether or not the value of the item is such that approval was required (other than items of token or very minimal value, e.g. pens, mugs, notepaper, key chains). These records shall be kept for at least one year following receipt, and may be requested for review and verification by DFI Canada (e.g. the Chief Compliance & Ethics Officer or his/her delegate(s)) at any time.

If an employee has questions as to whether any of the circumstances in this Section III-F apply, he or she should, before the intended action is taken, seek clarification from Managing Director or the Chief Compliance & Ethics Officer or his/her delegate(s).

No less frequently than twice each year, the Chief Compliance & Ethics Officer shall provide to the Managing Director a report on the gifts, hospitality and other benefits that has been approved or on which the Managing Director has received reports during the preceding period, including the nature and amount of the benefits approved and/or reviewed.

For the purposes of [s. 121\(1\)\(c\)](#) of the [Criminal Code of Canada](#) or any other Canadian statute requiring the consent of the head of an institution in order to allow an employee to accept such gifts, hospitality or other benefits as are permitted hereunder, compliance with this provision will be considered as being the required consent of the Managing Director.

## **G. Fees or Honorariums**

Whenever employees attend industry or trade association or other business meetings or conferences, they must pay their own expenses and claim reimbursement according to DFI Canada policy (Travel and Hospitality Expense Policy). Where DFI Canada covers the traveling expenses of an employee who undertakes, in his/her official capacity, to address a meeting (or participate in similar functions) of a group or organization, and the employee receives a fee or honorarium for such services from the group or organization involved, the employee must report it to DFI Canada and return the fee or honorarium to the group or organization. If it is not possible to decline or return such fee or honorarium, or if such action is likely to be construed as being discourteous, the employee must remit the fee or honorarium to DFI Canada.

Employees should not hesitate to advise third parties that, in relation to the performance of their duties and responsibilities and with respect to activities related to their employment, DFI Canada has strict policies and procedures regarding the acceptance of gifts, hospitality and other benefits.

#### **H. Dealings With Customers and The Public In General**

No employee or director shall accord preferential treatment in relation to any official matter involving DFI Canada to family members or friends or to organizations in which the employee or director, his or her family members or friends have an interest.

Each employee and director shall take care to avoid being placed, or the appearance of being placed, under an obligation to any person or organization that might profit or appear to profit from special consideration on the part of the employee or director.

#### **I. Bribery and Corruption Prohibitions**

Criminal statutes of virtually all countries prohibit bribery. It is a serious offense. Under no circumstances shall employees, directly or indirectly, give, offer or agree to give or offer a bribe, or knowingly contravene any applicable law relating to bribery or other corruption.

Further, employees will, in the course of their duties, ensure that DFI Canada does not knowingly support a transaction that involves the offer or giving of a bribe and that DFI Canada exercises reasonable diligence and care not to support such a transaction unknowingly. Employees are responsible for exercising reasonable due diligence in transactions, and for complying with DFI Canada's financial crime procedures, including provisions regarding identification of persons associated with transactions who have been convicted of bribery.

#### **J. Money Laundering and Terrorist Financing**

Money laundering is the process by which criminals or their agents attempt to conceal the true origin and ownership of the proceeds of their unlawful activities. Terrorist financing involves the use of licit or illicit funds for an illegal political purpose. Laws have been adopted in many jurisdictions in order to deter the use of legitimate intermediaries such as financial institutions as a conduit for illegal activities. These laws impose requirements such as ascertaining the identity of customers, monitoring transaction activity, assessing risks in transactions and relationships.

As an organization providing financial solutions, DFI Canada is at risk of engaging in or being associated with activities that may involve financial crime. DFI Canada will not knowingly participate in any money laundering scheme, and will undertake reasonable due diligence to deter, prevent and detect money laundering and terrorist financing risks in its transactions, including screening against relevant lists issued by international authorities. Employees shall raise with the Managing Director, EDC's Vice-President, General Counsel, or the Chief Compliance & Ethics Officer any unusual activity which comes to their attention in the course of their duties.

#### **IV. Confidential Information**

##### **A. General Principles**

DFI Canada, its employees and directors receive information on many entities and individuals, and are required to comply with various obligations and restrictions regarding the use and disclosure of such information. All information that employees and directors receive in the course of their duties should be presumed to be confidential unless the contrary is clear.

Confidential information, whether relating to DFI Canada or third parties, should never be communicated to anyone other than employees, directors, and under certain circumstances, DFI Canada's shareholder or its "representatives," including outside lawyers, consultants and other external advisors, except with the consent of the party that is the subject of such information, or as otherwise contemplated by this Part IV. In addition, such information can be communicated within DFI Canada and to its representatives only if the recipient has a legitimate "need to know" or if DFI Canada determines that it is necessary or desirable for such recipient to be aware of such information in connection with their duties. Full consideration should be given to this fact in advance of any communication. Where confidential information is stored within a DFI Canada electronic system, employees should only access and view such information where employees have a legitimate "need to know" such information in connection with their duties.

Various types of confidential information and specific policies and procedures regarding confidential information are set forth below.

##### **B. Types of Confidential Information**

###### **1. Customer and Other Third-Party Information**

It is impossible to provide an exhaustive list of the kinds of third-party information that may be confidential. The following are some examples:

- all material non-public information ("MNPI") (see Part V on Insider Trading, Tipping and Rumours);

- financial reports or confidential projections;
- information about a customer's borrowings;
- information about a customer's current or proposed transactions, business plans, acquisition targets, customers, suppliers, creditors or investors;
- transaction-specific information;
- DFI Canada's assessment of the creditworthiness of a customer or any other internal analyses of customers or their businesses (whether or not based on confidential information);
- significant contracts or orders of customers; and
- personal information concerning customers, directors, officers and employees.

Information about or received from DFI Canada's customers or other third parties should be presumed to be confidential.

## 2. DFI Canada Information

DFI Canada employees and directors must also be careful to protect the confidentiality of certain information relating to DFI Canada. The following are some examples of DFI Canada information that should be treated in a confidential manner:

- strategic plans and activities;
- details of recommendations to the Board of Directors; and
- DFI Canada's non-transaction-specific pricing and premium strategies.

## 3. Personal Information

The [Privacy Act](#) defines personal information as information about an identifiable individual that is recorded in any form. Employee-related personal information may be contained in an employee's personal and career files or in other corporate records, and may include but is not limited to: salary data, performance evaluations, disciplinary actions, medical information, performance-related feedback, pension information, information related to leaves such as sick leave and disability leaves, information related to workplace injury, and information used in assessing security clearances.

DFI Canada is committed to protecting personal information in accordance with the *Privacy Act* and has implemented policies in the interest of safeguarding personal information.

#### 4. Government-Sensitive Information

As an agent of the Crown, DFI Canada is exposed to and receives Canadian government-sensitive information of differing government of Canada security classifications.

The following are some examples of government of Canada sensitive information:

- Cabinet and Treasury Board Papers;
- Ministerial Authorizations and related background papers;
- Orders in Council (prior to public disclosure); and
- information concerning federal-provincial affairs, international affairs and the economic interests of Canada disclosure of which would result in injury to the national interest.

### **C. Rules For Disclosure, Use and Communication of Confidential Information**

#### 1. Basic Rules

The following are basic rules regarding the disclosure, use and communication of confidential information:

- (a) Except with the consent of the party that is the subject of the information, confidential information must never be communicated to anyone other than employees and directors and, under certain circumstances, representatives of DFI CANADA, in each such case only if the recipient has a legitimate need to know in connection with his or her duties. In certain circumstances, this general rule is subject to possible exceptions as outlined in Section IV-D “Inquiries and public statements”. As outlined in that section, no such disclosure should be made without first seeking advice from EDC’s Vice-President, General Counsel.
- (b) When confidential information is legitimately communicated to someone, he or she must : (i) be clearly informed that the information is confidential, (ii) be given instructions about the limitations on further dissemination and use of the information, and (iii) in the case of non-employees and non- directors, other than those advisors with a professional obligation of confidentiality, be contractually bound by provisions establishing his or her obligations with respect to the confidential treatment of the information.
- (c) If information is the subject of a confidentiality agreement, care must be exercised to be sure the terms of the agreement are followed. No confidentiality agreement should be entered into unless (i) it has been reviewed by EDC Legal Services or (ii) it is a standard form of confidentiality agreement previously approved by EDC Legal Services, as such forms may be amended and updated from time to time or (iii) it incorporates all required provisions and required exclusions previously approved by EDC Legal Services, as such provisions and exclusions may be

amended and updated from time to time. The team entering into any such agreement shall retain a copy. All DFI Canada files that are governed by a confidentiality agreement should contain a copy of the agreement, and the electronic and physical files as well as all significant internal communications should be clearly marked to identify that the subject matter of such file or communication is governed by a confidentiality agreement.

- (d) Documents containing confidential information must be strictly controlled at all times and not be displayed in elevators or left unattended in conference rooms, on desks or in other locations where they may be seen by outsiders or by employees who do not have a legitimate need to know. Unnecessary copying of confidential documents must be avoided. Drawers, desks and/or offices containing confidential information should be locked when unattended and, in any event, at the end of the work day.
- (e) Care must be exercised in discussing confidential matters in elevators, on public transportation, in restaurants or other places where outsiders may be present or where other parties, including employees, could obtain confidential information they should not have. When asked informally (for example, by friends or at social gatherings) about matters that could involve confidential information, employees and directors must decline to comment (see Section IV-D(3) “Public statements” below regarding inquiries by journalists).
- (f) Care must be exercised with respect to all professionals, consultants, contingent staff, messengers and cleaning staff to ensure that confidential information is not available to people who may not be completely familiar with DFI Canada’s policies and procedures concerning confidential information, or who should not be entrusted with such information.
- (g) Confidential information may include MNPI, and employees and directors using MNPI should exercise particular caution and be aware of the requirements of the MNPI Compliance Procedure if they are engaged in a securities trade. (see Part V on Insider Trading, Tipping and Rumours).
- (h) Confidential information should not be discussed when using a cellular phone in a public place and caution should be exercised generally when using mobility devices such as laptops, portable storage media, mobile phones, smartphones and tablets in public places.
- (i) Confidentiality concerns frequently arise with respect to information technology. Employees and directors when engaged in business related to DFI Canada must use a password-protected screen saver when leaving their computers unattended. In addition, employees and directors should not store or transmit confidential information other than on approved DFI Canada - managed systems.

- (j) When employees and directors commence employment with or leave DFI Canada or transfer from one part of DFI Canada to another, precautionary action should be taken, such as surrender of departmental files, information and materials, and DFI Canada - managed systems and equipment to protect against disclosure or misuse of any confidential information.
- (k) Employees and directors should be aware of and comply with the provisions of the EDC [Internet/E-mail Policy](#) which provides additional guidelines.

## 2. Additional Statutory and Other Requirements

### (a) Government-sensitive information

As previously noted, as an agent of the Crown, DFI Canada is exposed to and receives Canadian government-sensitive information of differing government of Canada security classifications. It is essential that all employees and directors treat such information in accordance with the general policies and procedures set forth above.

Disclosure and dissemination of Canadian government sensitive information is also subject to the policies of the government of Canada. DFI Canada. Employees and directors who are exposed to and receive government-sensitive information should also be aware of the provisions of the Security of Information Act. This Act provides, among other things, offences for certain activities, including the handling or communication of documentation or information which is prejudicial to the safety or interests of Canada. All questions concerning the applicability of the Security of Information Act should be addressed to the Corporate Security Officer.

### (b) Personal Information (Privacy Act requirements)

DFI Canada is subject to the Privacy Act, which protects the privacy of individuals by regulating the collection, use and disposal of personal information under the control of DFI Canada and provides individuals with a right of access and correction to their own information. DFI Canada will respect the privacy rights of individuals, including its employees, and their right to the protection of their personal information. DFI Canada's Privacy Policy establishes the authority and framework for the implementation of fair information practices within DFI Canada in accordance with the Privacy Act, including the responsibilities of employees.

All employees and directors should make themselves aware of and comply with the terms of the Privacy Policy. All questions concerning the application and requirements of the Privacy Act should be addressed to the Privacy and Access to Information team, Compliance & Ethics.

All confidential disclosures and notifications provided by an employee or director under any provision of this Code will be treated as personal information and the individual receiving such information shall cause it to be safeguarded in accordance with DFI Canada's Privacy Policy.

Every supervisor who retains any employee-related personal information must ensure that such information is treated confidentially and a copy of such information is contained in the relevant employee's personal or career file as applicable. Generally, personal information used in a decision making process affecting an individual will be retained for a minimum of 2 years as required by the Privacy Act and will otherwise be retained in accordance with defined retention schedules.

(c) [Access to Information Act](#)

DFI Canada is subject to the Access to Information Act. Records collected, created or otherwise obtained by DFI Canada employees and directors in the performance of their duties are and remain the property of DFI Canada, regardless of physical location, and are accessible under the Access to Information Act.

DFI Canada has established procedures and processes to help ensure effective and consistent administration and compliance by DFI Canada of the requirements under the Access to Information Act and its Regulations, and a related Procedure on s.67.1(1) of the Access to Information Act regarding sanctions for obstruction of access. DFI Canada's records are also subject to normal records retention and disposal requirements and policies as set forth by EDC's Records Management Policy (ADM 005), EDC's Records Management Policy Procedures (ADM-005-001) and the Library and Archives of Canada Act.

All employees and directors should make themselves aware of and comply with the terms of the foregoing Policies and Procedures. All questions concerning the application and requirements of: (i) the Access to Information Act and related instruments should be addressed to the Compliance & Ethics / Privacy and Access to Information team; and (ii) the Library and Archives of Canada Act and related instruments should be addressed to the Recorded Information Management team.

(d) Consultants, Service Providers and other Third Parties

Whenever individuals or entities are engaged by DFI Canada and may obtain confidential information in the course of providing the services they are contracted to perform, they are required to contractually agree to a confidentiality undertaking and, in some cases, a privacy undertaking pursuant to the Procurement team's Rules for Retaining External Resources. Employees who are involved in engaging consultants or other third party service providers should be aware of and comply with these Rules.

**D. Inquiries and Public Statements**

1. Generally

Employees and directors should not disclose confidential information to any outside party unless the affected party has consented specifically to the disclosure. In certain circumstances, this general rule is subject to possible exceptions for disclosure to DFI Canada's shareholder and applicable legal authorities, as well as in certain litigation situations. However, no such disclosure should be made without first seeking advice from EDC Vice-President, General Counsel and the Chief Compliance & Ethics Officer.

2. Regulatory and Legal Inquiries

Employees and directors must notify EDC Vice-President, General Counsel and the Chief Compliance & Ethics Officer immediately if an inquiry is received from a regulatory authority (whether verbally or in writing) or requests for information, whether in person or otherwise, are made by authorized representatives of such authorities. Also, EDC Vice-President, General Counsel and the Chief Compliance & Ethics Officer should be notified immediately if DFI Canada, an employee or a director is served with a legal action, subpoena or other formal notice to appear in court or take legal action for reasons related to his/her employment at DFI Canada.

3. Public Statements

All contact with the media or other public statements by employees or directors must be cleared in advance with the Corporate Communications Team. Any public statement made by an employee or director – even one that does not release any previously undisclosed information – could subject DFI Canada to reputational damage and potential liability. Accordingly, when DFI Canada or its employees or directors disclose any information to the public, DFI Canada must be sure that it is accurate and that it is handled according to policy, including obtaining the prior consent of a third party where required.

**V. INSIDER TRADING, TIPPING AND RUMOURS**

Directors shall comply with all provisions of this Part, and in addition shall comply with the Conflict of Interest and Insider Trading Procedures.

**A. Insider Trading and Tipping**

1. Who is an Insider?

Employees and directors who have access to material, non-public information (see examples below) relating to a company that has issued securities (an “issuer”) should consider themselves “insiders” of that issuer. Financiers, accountants, underwriters, lawyers or printers who receive confidential information from a client will ordinarily be considered insiders of that client as well. Even if an employee or director does not receive such information directly from the issuer, he/she may be treated as an insider if the employee or director should have known that the information came from an insider or one who had a duty not to disclose it.

Employees and directors should be aware, and act in accordance with the knowledge, that their spouses, other family members, and other individuals who have a relationship with an employee may also be treated as insiders, so that the activities of these people are potentially subject to statutory provisions and penalties.

2. Materiality, and Non-public Information

Generally, information is material if it would affect the price of a security of the entity which is the subject of such information if such information was generally known, or there is a substantial likelihood that a reasonable investor would consider such information important in making an investment decision to buy, hold or sell such a security. Examples of material information include:

- significant changes in previously disclosed financial information;
- information or estimates about earnings or sales;
- increases or declines in orders, or information about major contracts;
- liquidity problems, payment or covenant defaults or actions by creditors, customers or suppliers relating to the issuer’s credit standing;
- a proposal or agreement for a merger, acquisition or divestiture, or for the sale or purchase of significant assets;
- a proposal or agreement concerning a financial restructuring or an extraordinary borrowing;
- a proposal to issue or redeem securities or other development regarding a pending issuance or redemption of securities;

- an increase or decrease in dividends;
- declarations of stock splits or stock dividends;
- an expansion or contraction of operations;
- introduction of a significant new product, service or business line;
- the development of a new product or, for example, in the case of an oil and gas or mining company, information about mineral deposits or discoveries;
- the institution of, or a development in, major litigation or a significant regulatory matter;
- executive management developments; and
- information about future government actions.

This list is merely indicative of the types of information that could be considered material. Material information includes both information related to specific public companies and information related to the market or markets generally. It includes any information a reasonable investor would consider important, or which would affect the price of a security. Moreover, any given item of information must be considered in light of all the relevant circumstances in order to make a determination as to materiality.

Non-public information is any information that is not generally known or available to the public, or which has not been disclosed generally to the marketplace. Information is generally considered to be available to the public only when it has been released to the public through appropriate channels, such as by means of a press release or a public statement from one of the senior officers of an issuer, and enough time has elapsed to permit the investment market to absorb and evaluate the information. As a general rule, information is not considered “public” until the first business day after public disclosure.

Except in obvious cases, any information that employees learn, in connection with their employment, about an issuer or its business plans is potentially “insider” information until publicly disclosed or made available by an issuer, and should be presumed to be both material and non-public. When in doubt, employees should ask EDC Vice-President, General Counsel and/or the Chief Compliance & Ethics Officer before any action is taken.

### 3. General Rule

As a general rule, insiders who possess material, non-public information ("MNPI") about an issuer of securities, and employees who receive such information from insiders (i) must never use such material non-public information for personal gain or for the improper benefit of DFI Canada, or for the advantage of others associated with them, such as friends or relatives, and (ii) are, by law, specifically subject to restrictions on trading based on such information including the "abstain or disclose" concept provided in securities laws. This concept stipulates that the insider may be required to:

- refrain from passing such information on to others (tipping) and from trading in or recommending the purchase or sale of the issuer's securities or the securities of companies which can reasonably be assumed to be affected by such information; or
- disclose such information to the investing public.

Although securities laws generally provide that proper public disclosure of MNPI will free the party who possesses the information to trade in the affected securities, when employees or directors come into possession of such MNPI, they will likely not be permitted to disclose it because of DFI Canada's confidentiality policy. Consequently, employees or directors in possession of MNPI will usually simply be barred from trading in or recommending the related securities until such time as the information is made public by the issuer or is no longer material.

Employees and directors shall also observe any limitations on trading in the securities of an issuer which the Managing Director may issue in circumstances where the Managing Director believes that trading which is not conducted in accordance with such limitations would result in damage to DFI Canada or its reputation, including, if applicable, "restricted lists" of securities. DFI Canada's activities as a lender, underwriter, insurer and equity investor will frequently result in DFI Canada obtaining MNPI about other companies. This information should be treated on a need-to-know basis within DFI Canada. (see Part IV on Confidential Information). It is the responsibility of every employee and every director to determine whether they are in possession of MNPI. Securities laws impose significant penalties on individuals who breach such laws (including prison sentences in some cases).

Therefore, care should be exercised by every employee and every director to avoid violations of the legal and ethical constraints regarding insider trading or tipping with respect to any company's securities.

Employees involved in securities trading on behalf of DFI Canada should also be aware of the provisions of any MNPI Compliance Procedure. In particular they must first verify, before executing any trade of securities that they, or those of their team involved in the trade, are not in possession of MNPI regarding the particular issuer which is the subject of the proposed trade.

The prohibition against insider trading applies to employees, directors and all persons connected with DFI Canada, including consultants. It is the obligation of the responsible employees to ensure that consultants and contingent staff understand the prohibitions against insider trading and tipping.

#### 4. Additional Rules

- (a) Relationship managers and others with substantial dealings with customers should take particular care to ensure they comply with the guidelines contained in Part V.
- (b) Employees and directors shall not (i) engage in short-selling and trading, or (ii) make early purchases in underwritings of new issues of either equity or corporate debt securities involving entities with whom DFI Canada has a business relationship.
- (c) Employees of specific teams should take particular care to ensure they comply with the guidelines contained in this Section, and seek clarity from the Managing Director, the Chief Compliance & Ethics Officer or EDC Vice-President, General Counsel regarding the application of this Part when they are trading in the securities of any issuer whose principal business activities fall under the industry segment for which that team is responsible.

#### **B. Rumours**

Securities laws prohibit the circulation of rumours for the purpose of affecting the market. In addition, under certain circumstances, rumours about a company that may be experiencing financial difficulties can cause significant damage to that company and rumours as to a company's insolvency or the possibility of a bankruptcy filing can become self-fulfilling. It is important to distinguish between fact, on the one hand, and rumour or surmise. If an employee or director learns MNPI, even if rumours about the same information are available in the press or on the Internet, the information will not be treated as public for the purposes of the Code. Only when the same or the equivalent information, and the same or an equivalent source, is readily known or available to investors can information be treated as if it were public. Rumours can also include any discussions which may take place on internet chat rooms or bulletin boards.

## **VI. OTHER STANDARDS OF CONDUCT**

### **A. Truthfulness**

Employees are expected to make all reasonable efforts to avoid errors in, or misunderstandings of, statements made by DFI Canada or its representatives even when omissions or misunderstandings might be to DFI Canada's short-term advantage. Particular care must be taken not to make promises or commitments which DFI Canada does not intend to, or cannot, keep. DFI Canada expects all employees to use only fair and honest negotiating methods and scrupulously avoid any practice that may adversely affect DFI Canada's reputation for integrity and honesty.

### **B. Transparency, Controls and Consultation**

Employees should always be aware of maintaining the right balance between independent action and decision-making within DFI Canada's overall control framework. Policies, defined processes, Delegations of Authority and this Code form the foundation of how employees must organize their work, the controls that are in place and the boundaries of individual authority. Employees must not, directly or indirectly, carry out any activities or assume on behalf of DFI Canada any obligation, which are beyond their individual authority.

Whenever a situation is open for interpretation or not directly within current practice, employees should keep the Managing Director (and, depending on the circumstances, other areas within DFI Canada) informed in order to ensure that employee actions are aligned with the intent of the relevant policy or procedure. Employees are reminded not to indicate or imply commitment or approval on behalf DFI Canada without full transparency and consultation with the appropriate centres of expertise and authority.

All employees are encouraged to engage in timely and frank discussion and the elevation of problems to higher levels, and to consult with the Managing Director before moving forward. Employees are encouraged, where they have any uncertainty or doubt about the boundaries or level of authority, or about the interpretation of a policy or rule, or where they have any other questions, to seek clarification from the Managing Director, the Chief Compliance & Ethics Officer or EDC Vice-President, General Counsel.

### **C. Criminal Offences**

It is DFI Canada's policy that employees must make confidential disclosure to the Managing Director, the Chief Compliance & Ethics Officer or to EDC Vice-President, General Counsel immediately if they are charged with or convicted of an offence under the Criminal Code, the Food and Drugs Act or any other provincial or federal Act which may reasonably be expected to pertain to that employee's ability and/or suitability to perform his/her duties or responsibilities, or may reasonably be expected to affect the reputation or other legitimate business interest of DFI Canada.

All employees are reminded that the inappropriate and prohibited uses of DFI Canada internet and email set out in the EDC Internet/Email Policy (ADM-015) include the conducting of illegal activities, or the circulation, downloading or usage of illegal material, or any material which could be an embarrassment to DFI Canada, including downloading sexually explicit material such as explicit, pornographic material.

All employees are also reminded that under Section 121(1)(c) of the Criminal Code, it is an offence to demand, accept or offer, or agree to accept from a person who has dealings with DFI Canada or the government of Canada, a commission, reward, advantage or benefit of any kind, directly or indirectly, without the consent in writing of the Managing Director. This includes the acceptance of remuneration for employment from a person who has dealings with DFI Canada or the government of Canada. This Code describes circumstances where, in this regard, the consent of the head of the institution is required and where for such purpose the Managing Director's consent is deemed to have been given.

### **D. Substance Abuse**

The care, diligence and creative energy that individuals employed by DFI Canada are expected to provide requires that all employees exercise reasonable care in matters concerning their health and well-being.

Employees have an obligation to DFI Canada and their fellow employees to report at their regularly scheduled times fit for their duties. Therefore, any use, sale, distribution, possession, manufacture, transportation or promotion of illegal drugs or any other controlled substance, except for approved medical purposes, on DFI Canada's premises or while conducting DFI Canada business or activities, is strictly prohibited. In addition, it is prohibited for employees to be impaired by the use of drugs or alcohol while on DFI Canada's premises or while conducting DFI Canada business or activities. Consumption of alcoholic beverages while on DFI Canada's premises or while conducting DFI Canada business or activities is prohibited, except in connection with acceptable business or corporate functions.

Employees should be aware of and comply with the provisions of the DFI Canada's Health, Safety & Wellness Policy and the provisions regarding alcohol use in the DFI Canada's Travel and Hospitality Handbook.

## **E. Harassment and Discrimination in the Workplace**

It is DFI Canada's policy to provide a workplace that is free from, and every employee has the right to freedom from, harassment (including sexual, physical or verbal harassment) and/or discrimination in the workplace. Harassment and/or discrimination imposed on an employee of DFI Canada, whether by another employee, a customer, or a supplier, is not acceptable and will not be tolerated.

Employees are reminded that the inappropriate and prohibited uses of the DFI Canada internet and email set out in the EDC Internet/Email Policy (ADM-015) include the downloading or distributing of material that expresses or promotes discriminatory attitudes towards religion, age, gender, nationality or other designated groups; and using the DFI Canada internet/email for the purpose of harassment, threats or defamation.

## **F. Punctuality and Absenteeism**

Each employee is expected to attend work regularly and punctually at the hours established by his/her supervisor. In the event circumstances arise which prevent an employee from reporting to work as scheduled, the employee's supervisor is to be notified promptly.

No employee shall absent himself/herself from work without prior authorization, except for unforeseen circumstances that cause the employee to be unable to attend work. Where a leave of absence has been granted, such leave must not be used for any purposes other than that for which it was granted.

## **G. Health and Safety**

DFI Canada is vitally interested in the health and safety of its employees and DFI Canada and its employees will make every effort to provide a safe, healthy work environment. Every employee must protect his/her own health and safety by working in compliance with the law and with safe work practices and procedures established by DFI Canada. Employees should be aware of and comply with DFI Canada's Health, Safety & Wellness Policy.

## **H. Political Activity**

It is the policy of DFI Canada that the participation of its employees in political activity shall not jeopardize their impartiality as employees of an Agent of the Crown nor interfere with their capacity to perform their duties as employees of DFI Canada. Employees should be aware of and comply with EDC's Political Activity Policy.

## **I. Copyrighted Work**

Copyrighted work (including computer software) is work which the owner thereof has the sole right to produce or reproduce in whole or substantial part, in any material form whatsoever, or to authorize such act. With certain exceptions as outlined in the EDC Copyright Policy (GEN 008), copyrighted works are not to be copied.

## **J. Personal Relationships**

DFI Canada will not permit employees in relationships which create or appear to create a conflict of interest to remain in such a conflict or potential conflict. This includes, but is not limited to, blood relatives, those in a legal or common law marriage and those in a personal or business relationship. Accordingly, DFI Canada reserves the right, in its discretion, to move one or both of the individuals in such a conflict or potential conflict to a comparable position within the organization. Similarly, DFI Canada will not hire or move an individual into a position which creates such a conflict or potential conflict of interest. In addition, employees with management responsibilities who have personal relationships with a staff member must, to the extent it is within their control, ensure the relationship is and remains outside of their immediate team or line of control or, where it is not within their ability to control, notify their supervisor and/or their Human Resources Business Partner with a view to developing a solution which eliminates or mitigates the conflict of interest.

## **VII. REPORTING AND FAILURE TO COMPLY**

### **1. Reporting of Violations**

Employees have a duty and an obligation to report in good faith any violation or suspected violation of this Code of which they become aware. In any case where such a report has been made, the report will be treated confidentially to the extent possible and consistent with DFI Canada's responsibility to address the issue raised. No person will be subject to retaliation for reporting in good faith a violation or suspected violation of this Code.

### **2. Failure to Comply**

Employees who fail to comply with any provision of this Code will be subject to disciplinary action or other consequences, including the possibility of termination of employment. Consequences of any particular failure to comply will be determined by DFI Canada in its sole discretion. It is also important to understand that a violation of certain provisions of this Code may also be a violation of the law and may subject the individual employee involved and/or DFI Canada to criminal prosecution and/or civil liability.

## **VIII. CHIEF COMPLIANCE & ETHICS OFFICER**

Any questions concerning the policies or procedures contained in the Code should be addressed to the Chief Compliance & Ethics Officer or his/her delegate(s).

## **ANNEX to DFI Canada’s Code of Conduct:**

### **Values and Ethics Code for the Public Sector**

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A portion of the Values and Ethics Code for the Public Sector (the “Public Sector Code”) which follows is made applicable to all DFI Canada employees, for consistency with EDC’s standards of conduct.

As with DFI Canada’s Code of Conduct, every DFI Canada employee is expected to be familiar with and to adhere to the Public Sector Code, and each and every requirement of the Public Sector Code as a condition of his/her employment, which requirements shall be of general application without exception. In addition, each employee shall be required upon commencement of employment and annually thereafter to sign an acknowledgment and agreement confirming his/her understanding of and compliance with the Public Sector Code.

The Public Sector Code came into force on April 2, 2012.

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## **ANNEX to DFI Canada’s Code of Conduct**

### **Values and Ethics Code for the Public Sector**

#### **The Role of Federal Public Servants**

Federal public servants have a fundamental role to play in serving Canadians, their communities and the public interest under the direction of the elected government and in accordance with the law. As professionals whose work is essential to Canada’s well-being and the enduring strength of the Canadian democracy, public servants uphold the public trust.

The Constitution of Canada and the principles of responsible government provide the foundation for the role, responsibilities and values of the federal public sector.<sup>[1]</sup> Constitutional conventions of ministerial responsibility prescribe the appropriate relationships among ministers, parliamentarians, public servants<sup>[2]</sup> and the public. A professional and non-partisan federal public sector is integral to our democracy.

#### **The Role of Ministers**

Ministers are also responsible for preserving public trust and confidence in the integrity of public sector organizations and for upholding the tradition and practice of a professional non-partisan federal public sector. Furthermore, ministers play a critical role in supporting public servants’ responsibility to provide professional and frank advice.<sup>[3]</sup>

#### **Objectives**

This Code outlines the values and expected behaviours that guide public servants in all activities related to their professional duties. By committing to these values and adhering to the expected behaviours, public servants strengthen the ethical culture of the public sector and contribute to public confidence in the integrity of all public institutions.

As established by the Treasury Board, this Code fulfills the requirement of section 5 of the Public Servants Disclosure Protection Act (PSDPA). It was developed in consultation with public servants, public sector organizations and bargaining agents. This Code should be read in conjunction with organizational codes of conduct.

## **Statement of Values**

These values are a compass to guide public servants in everything they do. They cannot be considered in isolation from each other as they will often overlap. This Code and respective organizational codes of conduct are important sources of guidance for public servants. Organizations are expected to take steps to integrate these values into their decisions, actions, policies, processes, and systems. Similarly, public servants can expect to be treated in accordance with these values by their organization.

### **Respect for Democracy**

The system of Canadian parliamentary democracy and its institutions are fundamental to serving the public interest. Public servants recognize that elected officials are accountable to Parliament, and ultimately to the Canadian people, and that a non-partisan public sector is essential to our democratic system.

### **Respect for People**

Treating all people with respect, dignity and fairness is fundamental to our relationship with the Canadian public and contributes to a safe and healthy work environment that promotes engagement, openness and transparency. The diversity of our people and the ideas they generate are the source of our innovation.

### **Integrity**

Integrity is the cornerstone of good governance and democracy. By upholding the highest ethical standards, public servants conserve and enhance public confidence in the honesty, fairness and impartiality of the federal public sector.

### **Stewardship**

Federal public servants are entrusted to use and care for public resources responsibly, for both the short term and long term.

### **Excellence**

Excellence in the design and delivery of public sector policy, programs and services is beneficial to every aspect of Canadian public life. Engagement, collaboration, effective teamwork and professional development are all essential to a high-performing organization.

### **Expected Behaviours**

Federal public servants are expected to conduct themselves in accordance with the values of the public sector and these expected behaviours.

## **1. Respect For Democracy**

*Public servants shall uphold the Canadian parliamentary democracy and its institutions by:*

- 1.1 Respecting the rule of law and carrying out their duties in accordance with legislation, policies and directives in a non-partisan and impartial manner.
- 1.2 Loyally carrying out the lawful decisions of their leaders and supporting ministers in their accountability to Parliament and Canadians.
- 1.3 Providing decision makers with all the information, analysis and advice they need, always striving to be open, candid and impartial.

## **2. Respect For People**

*Public servants shall respect human dignity and the value of every person by:*

- 2.1 Treating every person with respect and fairness.
- 2.2 Valuing diversity and the benefit of combining the unique qualities and strengths inherent in a diverse workforce.
- 2.3 Helping to create and maintain safe and healthy workplaces that are free from harassment and discrimination.
- 2.4 Working together in a spirit of openness, honesty and transparency that encourages engagement, collaboration and respectful communication.

## **3. Integrity**

*Public servants shall serve the public interest by:*

- 3.1 Acting at all times with integrity and in a manner that will bear the closest public scrutiny, an obligation that may not be fully satisfied by simply acting within the law.
- 3.2 Never using their official roles to inappropriately obtain an advantage for themselves or to advantage or disadvantage others.
- 3.3 Taking all possible steps to prevent and resolve any real, apparent or potential conflicts of interest between their official responsibilities and their private affairs in favour of the public interest.
- 3.4 Acting in such a way as to maintain their employer's trust.

## **4. Stewardship**

*Public servants shall use resources responsibly by:*

- 4.1 Effectively and efficiently using the public money, property and resources managed by them.
- 4.2 Considering the present and long-term effects that their actions have on people and the environment.
- 4.3 Acquiring, preserving and sharing knowledge and information as appropriate.

## **5. Excellence**

*Public servants shall demonstrate professional excellence by:*

- 5.1 Providing fair, timely, efficient and effective services that respect Canada's official languages.
- 5.2 Continually improving the quality of policies, programs and services they provide.
- 5.3 Fostering a work environment that promotes teamwork, learning and innovation.