

## ALBERTA ENTERPRISE CORPORATION CODE OF CONDUCT AND ETHICAL STANDARDS

### 1. Introduction

This Code of Conduct and Ethical Standards (the “**Code**”) is applicable to all employees, officers and directors (the “**Employees**”) of Alberta Enterprise Corporation (the “**Corporation**”) and its subsidiaries unless otherwise stated. We require the highest standards of professional and ethical conduct from our Employees in accordance with provincial standards. The reputation of the Corporation for honesty and integrity among its stakeholders is also key to the success of its business. This Code reflects our commitment to a culture of transparency, honesty, integrity and account ability and outlines the basic principles and policies with which all Employees are expected to comply unless otherwise stated.

In carrying out their duties for the Corporation all Employees shall act impartially and in the best interest of the Corporation and shall not seek to advance or benefit their own or other’s interests to the detriment of the Corporation. In addition to following this Code in all aspects of our business activities, you are expected to seek guidance in any case where there is a question about compliance with the letter and spirit of our policies or applicable laws or regulations. This Code sets forth general principles and does not supersede the specific policies and procedures that are covered in the Corporation’s separate specific charters, terms of reference or policy statements, as amended or modified and in effect from time to time (the “**Policies**”).

This Code shall apply and be in effect from the later of the revision date referenced above or one week after being distributed to Employees and shall be reviewed and updated periodically by the Board so as to continue to meet the highest standards of professional and ethical conduct and provincial standards.

Your cooperation is necessary to continued success of our business and the cultivation and maintenance of our reputation as a good corporate citizen. Violation of these policies may result in disciplinary actions up to and including discharge from the Corporation.

### 2. Conflicts of Interest

A “**conflict of interest**” exists when an individual’s private interests interfere or conflict with or appear to interfere or conflict with the interests of the Corporation. A conflict situation may arise when an employee, officer or director takes actions or has interests that may make or appear to make it difficult to perform his or her professional obligations objectively and effectively or when he or she otherwise takes action that is inconsistent with the interests of the Corporation for his or her direct or indirect benefit or for the direct or indirect benefit of a third party.

A conflict of interest may also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation, whether received from the Corporation or a third party. For example, loans to or guarantees of obligations of Employees or any of their respective family members are likely to amount to conflicts of interest as are transactions of any kind between the Corporation and any other entity in which an employee, officer or director has a material interest.

Conflicts of interest are prohibited as a matter of corporate policy, except as specifically approved by the Corporation’s board of directors (the “**Board**”) and except in accordance with

applicable laws and regulations. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest, real or apparent, must be reported immediately by the Employee to his or her supervisor or manager or General Counsel of the Corporation, or if this is not appropriate to the Chair of the Board. Directors and Chair of the Board are required to disclose any conflict of interest or potential conflicts of interest during Board meetings.

### **3. Corporate Opportunities, Gifts and Use of Corporate Property**

Employees are prohibited from:

- taking for themselves personally opportunities that properly belong to the Corporation or are discovered through the use of corporate property, information or position;
- receiving inappropriate fees, gifts or benefits associated with the performance of their duties for the Corporation;
- using corporate property, information or position for personal gain; and
- competing with the Corporation

Employees owe a duty to the Corporation to advance its legitimate interests when the opportunity to do so arises.

Employees are prohibited from using their position with the Corporation or information obtained while performing their duties for the Corporation to further their private interests or for personal or private gain. Employees shall not take part in any decisions or seek to influence any decisions that may affect their personal or private interests. Employees are required to disclose in writing annually any personal financial interests that conflict with the interests of the Corporation or to certify in writing annually that they have no personal financial interests that conflict with the interests of the Corporation.

Employees shall not employ or contract with spouses or other family members or their direct associates except if disclosed and consented to by the Corporation.

Employees shall not accept fees, gifts or benefits associated with the performance of their duties for the Corporation other than tokens of appreciation or hospitality normally exchanged amongst business associates that do not exceed \$200 per gift or \$400 from any one source in any calendar year. The foregoing shall not apply to the attendance at business or social events or conferences or meetings associated with or required in the performance of the duties of Employees for the Corporation or of an industry wide nature if approved by the Chief Executive Officer or the Chair of the Board.

Employees shall devote sufficient time and attention to perform their duties for the Corporation and, except in the case of the Chief Executive Officer of the Corporation who shall be restricted as set out below, shall refrain from competing with or undertaking any concurrent employment that may conflict with or interfere with their ability to perform their duties for the Corporation unless consented to by the Corporation. Prior to accepting or holding any supplementary employment, employees are required to notify their supervisors, manager or other appropriate personnel in writing about the nature of such supplementary employment. That party must then

review the office for conflicts of interest, and if there is a conflict of interest, in writing, deny employment, allow employment, or put procedures in place to manage the conflict.

Employees shall also not allow the performance of their duties for the Corporation to be affected by existing or potential offers of employment or advancement.

In addition:

- (a) in the case of the Chair and Chief Executive Officer of the Corporation, he or she shall not:
  - (i) take part in a decision in the course of carrying out his or her office or powers knowing that the decision might further a private interest, a person directly associated with them or his or her minor or adult child;
  - (ii) use his or her office or powers to influence or to seek to influence a decision to be made by or on behalf of the Crown or a public agency to further a private interest, a person directly associated with them or his or her minor child or to improperly further any other person's private interest;
  - (iii) use or communicate information not available to the general public that was gained by him or her in the course of carrying out his or her office or powers to further or seek to further a private interest or any other person's private interest, and
- (b) in the case of the Chief Executive Officer of the Corporation, at the earlier of appointment, contract renewal and contract extension or December 15, 2019, he or she shall not:
  - (i) be involved in any appointment, business, undertaking or employment, including self-employment, other than the appointment, business, undertaking or employment for the Corporation, unless approved by the Ethic's Commissioner appointed under the *Conflicts of Interest Act* (Alberta), and
- (c) in the case of the Chief Executive Officer of the Corporation, at the earlier of appointment, contract renewal and contract extension or April 4, 2020:
  - (i) he or she shall not own or have a beneficial interest in publicly traded securities unless held in a blind trust or investment arrangement or such other manners approved by the Ethic's Commissioner as provided in s. 23.93 of the *Conflicts of Interest Act* (Alberta);
  - (ii) shall file with the Ethics Commissioner appointed under the *Conflicts of Interest Act* (Alberta) a disclosure statement, both with respect to himself or herself and persons directly associated with them, and including any material changes thereto, in the form and manner determined by the Ethics Commissioner as provided in ss. 23.931 and 23.932 of the *Conflicts of Interest Act* (Alberta) within the times required by such Act; and

- (iii) shall comply with statutory post-employment restrictions for period of 12 months as provided in s.23.937 of the *Conflicts of Interest Act* (Alberta).

#### **4. Confidentiality**

Employees must maintain the confidentiality of information entrusted to them by the Corporation or that otherwise comes into their possession in the course of their employment, except when disclosure is authorized or legally mandated. The obligation to preserve confidential information continues even after you leave the Corporation and Employees shall refrain from using or disclosing any confidential information for a period of 12 months or such longer period as required by terms of employment after they cease to be an Employee of the Corporation.

Confidential information includes all non-public information, and information that suppliers and industry partners have entrusted to us.

#### **5. Ethical Practices**

No Employee will be permitted to achieve results through violations of law or regulation, or the letter and spirit of all of the laws, rules and regulations of any jurisdiction in which the Corporation does business. Individuals who fail to comply with such laws, rules and regulations will be subject to disciplinary measures, up to and including discharge from the Corporation.

We intend that the Corporation's business practices will be compatible with the economic and social priorities of each location in which we operate. Although customs vary from country to country and standards of ethics may vary in different business environments, honesty and integrity must always characterize our business activity.

#### **6. Protection and Proper Use of Corporation Assets**

All Employees should endeavour to protect the Corporation's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Corporation's profitability. Any suspected incidents of fraud or theft should be immediately reported for investigation.

Corporation assets, such as funds, products or computers, may only be used for legitimate business purposes or other purposes approved by management. Corporation assets may never be used for illegal purposes.

#### **7. Political Activity**

Employees shall not use the Corporation's resources or assets for political activity, including printing flyers, sending emails, making calls or posting statements with the Corporation's devices.

#### **8. Accuracy of the Corporation's Records and Reporting**

The Corporation's accounting records are relied upon to produce reports for the Corporation's management, shareholders, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must accurately reflect all corporate transactions and conform to all legal and accounting requirements and our system of internal controls.

The Chief Executive Officer (the “**CEO**”) and the Chief Financial Officer (the “**CFO**”), with the assistance of appropriate Committees of the Board, are responsible for establishing and managing the Corporation's financial reporting systems to ensure that:

- all business transactions are properly authorized;
- all records fairly and accurately reflect the transactions or occurrences to which they relate;
- all records fairly and accurately reflect in reasonable detail the Corporation's assets, liabilities, revenues and expenses; and
- no information is concealed from the independent auditors, the Audit, Finance and Risk Committee of the full Board.

All employees have a responsibility to ensure that:

- the Corporation's accounting records do not contain false or intentionally misleading entries;
- no transactions are intentionally misclassified as to accounts, department or accounting periods; and
- all transactions are supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

Each employee, officer and director and any person acting under the direction thereof is prohibited from taking any action to fraudulently influence, coerce, manipulate, or mislead any financial statements of the Corporation for the purpose of rendering such financial statements misleading.

Each employee, officer and director is to exercise the highest standard of care in preparing reports, documents and other public communications, or in ensuring that such reports, documents and other public communications are prepared, in accordance with the guidelines set forth below.

- Compliance with Canadian Public Sector Accounting Standards (“**PSAB**”) is required at all times. However, technical compliance with PSAB may not be sufficient and, to the extent that technical compliance with PSAB would render financial information and the Corporation reports misleading, additional disclosure will be required.
- Compliance with the Corporation's system of internal accounting controls is required at all times, and no actions designed to circumvent such controls and procedures will be tolerated.
- Compliance with the Corporation's disclosure controls and procedures is required at all times, and no action designed to circumvent such controls and procedures will be tolerated.

## **9. Insider Trading**

Insider trading is unethical and illegal. Employees are not allowed to trade in securities of a corporation while in possession of material non-public information regarding the corporation. It is also illegal to “tip” or pass on inside information to any other person who might make an investment decision based on that information or pass the information on further.

#### **10. Fair Dealing**

Each employee, officer and director should endeavor to deal fairly with the Corporation's shareholders, customers, suppliers, competitors, officers and employees. None should take unfair advantage of anyone through illegal conduct, manipulations, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

#### **11. Harassment; Discrimination**

All Employees are responsible for creating and sustain a respectful work place. Disrespectful or abusive behavior, harassment, including sexual harassment, bullying or discrimination will not be tolerated and will be subject to disciplinary action.

#### **12. Compliance with Laws, Rules and Regulations**

Compliance with both the letter and spirit of all laws, rules and regulations applicable to our business is critical to our reputation and continued success. All employees, officers, contractors, consultants and directors must respect and obey the laws of the cities, provinces and countries in which we operate and avoid even the appearance of impropriety. Any criminal charge that may adversely affect the Employee's ability to perform their duties for the Corporation or the reputation or business affairs of the Corporation shall be immediately reported to his or her supervisor or manager or General Counsel of the Corporation.

#### **13. Compliance with Environmental Laws**

The Corporation is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Corporation is in strict compliance with applicable environmental laws and regulations. If any employee, officer or director has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should discuss the matter with the General Counsel of the Corporation.

#### **14. Compliance Procedures**

Employees are encouraged to talk to supervisors, managers, or other appropriate personnel about observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation. An employee, officer or director who is concerned that violations of this Code or other illegal or unethical conduct by an employee, officer or director of the Corporation have occurred or may occur shall in a timely manner contact his or her supervisor or manager or the Board of the Corporation or follow procedures outlined in other Policies for the Corporation. The Board is ultimately responsible to monitor compliance with this Code and shall be responsible for handling complaints or notifications of violations of this Code of Conduct and shall determine the appropriate level of investigation and procedures to be implemented and corrective action to be taken depending on the nature of the violation. Any person alleged to have violated this Code of Conduct shall be notified of the alleged violation and be given the opportunity to make submissions to the Board to respond to the allegation. The Board shall ensure that complaints are dealt with in a timely and respectful manner and in accordance with the rules of natural justice and, where appropriate, the Board shall give written reasons for its

decision. Upon a determination by the Board there has been a violation of this Code of Conduct, an employee may be subject to penalties, suspension and, if appropriate, dismissal and the violation shall be included in their record of employment.

This Code cannot, and is not intended to, address all of the situations you may encounter. There will be occasions where you are confronted by circumstances not covered by policy or procedure and where you must make a judgment as to the appropriate course of action. In those circumstances we encourage you to use your common sense, and to contact your supervisor or manager for guidance. In addition, Employees shall also comply with all other Policies of the Corporation in effect from time to time.

Employees will annually sign a declaration that they have received a copy of this Code and have read and understood it, and that they shall comply with the Code and report any violations of the Code as outlined in Policies for the Corporation.

Authority	Alberta Enterprise Corporation Board	
	Effective Date: April 30, 2019	Replacing Version Dated: February 14, 2009
Approved by:	Alberta Enterprise Corporation Board	Date: October 25, 2018