



Code of Conduct and Conflict of Interest Policy

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PURPOSE

The purpose of this Code is to ensure that:

- Members conduct themselves ethically and with integrity; and
- there must not be, nor seem to be, any conflict between the private interests of the Members and their roles, responsibilities and authorities under the Joint Governance Act.

A. DEFINITIONS AND INTERPRETATION

1. **Apparent Conflict of Interest** exists where there is a reasonable apprehension, which a well-informed person viewing the matter realistically and practically could have, that a Conflict of Interest exists.
2. **Breach of this Code** means a breach of or failure to comply with any obligation imposed by this Code on a Member, including
 - a. a breach of any of the Standards of Conduct set out in Part C of this Code;
 - b. a failure to disclose a Conflict of Interest or Apparent Conflict of Interest as required by Part D of this Code; or
 - c. a failure to withdraw from any involvement in a Sponsor Board meeting or meeting of a Committee of the Sponsor Board where a Member has a Conflict of Interest or Apparent Conflict of Interest, as required by Part D of this Code.
3. **Chair** means the Chair of the Sponsor Board.
4. **Code** means this Code of Conduct and Conflict of Interest Policy.
5. **Code Administrator** is the individual responsible for ensuring the Code is adhered to by the Members.
6. **Conflict of Interest** means a conflict between the Private Interests and the official responsibilities of a Member.
7. **Corporation** means SFPP Corporation.



8. A person is **Directly Associated** with a Member if that person is:
- a. a Member's Relative;
 - b. a corporation carrying on business or activities for profit or gain and the Member:
 - i. owns or is the beneficial owner of shares of that corporation unless Part A, section 9 applies; or
 - ii. is a director or officer of that corporation;
 - c. a partnership or joint venture:
 - i. of which the Member is a partner or member; or
 - ii. of which one of the partners or members is a corporation described in Part A, section 8.b.; or
 - iii. a person or group of persons acting as the agent of the Member and having actual authority in that capacity from the Member.
9. A corporation in which a Member owns or is the beneficial owner of shares of that corporation is not Directly Associated with that Member if the Member is not a director or officer of that corporation and if
- a. the shares are held in a blind trust or an investment arrangement where the Member has no control or influence over the shares or the corporation; or
 - b. the shares are shares of a reporting issuer under the Securities Act or equivalent legislation in another province or territory and the Member owns or is the beneficial owner of less than 10% of the voting rights attached to the voting shares of the corporation.
10. **Member** means a Member of the Sponsor Board, including the Chair.
11. **Joint Governance Act** means the *Joint Governance of Public Sector Pension Plans Act* (Alberta), including Schedule 3 of that Act and all regulations under that Act.
12. **Nominating Body** means an employee organization or employer organization defined in Schedule 3 of the Joint Governance Act, as applicable.
13. **Plan** means the Special Forces Pension Plan.
14. The **Private Interest** of a Member includes, but is not limited to:
- a. an interest of the Member in an appointment, business, undertaking or employment other than the Member's appointment to the Sponsor Board;
 - b. a financial interest of the Member in any investment or private asset; and
 - c. the interests set out in (a) and (b) of a person Directly Associated with the Member, but does not include an interest:
 - d. in a matter that is of general application to the Plan;



- e. that affects a Member as one of a broad class of the public;
 - f. that concerns benefits of a member under the Plan;
 - g. that is trivial;
 - h. an appointment, business, undertaking or employment if it does not
 - i. interfere with the performance of the Member's duties or availability for Sponsor Board meetings;
 - ii. involve Sponsor Board or SFPP Corporation property, information technology, materials, supplies or personnel; and
 - iii. directly or indirectly involve any business or undertaking in competition with or adverse in interest to the Plan or SFPP Corporation;
- or
- i. an appointment or employment if the appointment or employment is a requirement of or permitted by a Nominating Body.

15. **Relative** means Spouse, children, step-children, legal dependents, parents, siblings, in-laws, grandparents, grandchildren, nieces, nephews, aunts, uncles and first cousins.

16. **Sponsor Board** means the SFPP Sponsor Board.

17. **Spouse** means spouse or an adult interdependent partner of a Member, but excludes a spouse or adult interdependent partner living separate and apart from the Member:

- a. under the terms of a written separation agreement; or
- b. where support obligations and family property have been dealt with by a court order.

18. **Vice-Chair** means the Vice-Chair of the Sponsor Board.

19. A reference to a statute, regulation or any other legislative instrument, including this Code, means that statute, regulation or legislative instrument as amended or replaced from time to time.

20. A reference to any matter in the singular includes the plural and vice versa, unless the context requires otherwise.

B. APPLICATION

1. This Code applies to Members.

2. Conflicts between the Private Interests of Members and their duty to the public not specifically addressed in this Code must be dealt with according to the principles and intent of the Code.

3. Administration of the Code:

- a. The Chair is the Code Administrator for the Sponsor Board.
- b. Any questions regarding the interpretation or application of this Code are to be directed to the Chair.



- c. The Vice-Chair will act as the Code Administrator for any issues relating to the Chair.
- d. The Chair shall:
 - i. issue instructions as necessary for implementation of the Code; and
 - ii. promote the Code and any prescribed conflict of interest provisions on a regular basis to ensure that Members are aware of their obligations.
- e. In order to assist the Members to meet their duties under this Code, the Sponsor Board shall review this Code from time to time to provide direction to Members in the identification, resolution and review of situations that may create conflicts between their duties as Members and their Private Interests.
- f. The Code is a living document.
 - i. the Sponsor Board shall review this Code from time to time to consider changes or additions to the Code so that the Code effectively serves its Purpose, and
 - ii. Members are encouraged to suggest changes or additions to the Code.

C. STANDARDS OF CONDUCT

It is the duty of each Member to adhere, without exception, to the standards of conduct set out below.

1. Each Member shall act honestly and in good faith, in the exercise of the Member's powers and responsibilities under the Joint Governance Act.
2. Each Member shall conduct themselves in all matters relating to their role on the Sponsor Board in accordance with the highest standards of fairness, impartiality, integrity and ethical standards.
3. Each Member shall comply with all laws applicable to the Sponsor Board and the Plan, including but not limited to the Joint Governance Act and the *Personal Information Protection Act* (Alberta).
4. Each Member shall ensure that the Member's conduct, both as part of the Sponsor Board and outside of the Sponsor Board, does not damage the Member's reputation or the Sponsor Board's reputation.
5. Each Member shall maintain the confidentiality of Sponsor Board information and documents, including ensuring that such information and documents are not directly or indirectly made available to any individual who is not a Member, unless that disclosure is
 - a. specifically authorized by resolution of the Sponsor Board; or
 - b. made in accordance with a policy adopted by the Sponsor Board that permits disclosure.
6. Any disclosure made under Part C, section 5.a or b. shall comply with any limitations or obligations imposed by the resolution or the policy.
7. Each Member shall perform that Member's duties in accordance with all the policies and procedures of the Sponsor Board including but not limited to the Communications Policy of the Sponsor Board.



8. Each Member shall conduct themselves in a manner that fosters an environment at the Sponsor Board where individuals are treated with dignity and respect.
9. A Member shall not behave in a manner that is discriminatory, harassing, bullying, threatening, abusive, or violent towards any Member, prospective Member or any other individual or organization encountered in the Member's role on the Sponsor Board, including employees of the Corporation.
10. A Member shall not discriminate against another Member, prospective Member, Plan participant or beneficiary or any other individual or organization encountered in the Member's role on the Sponsor Board, including employees of the Corporation, because of that person's race, colour, place of origin, ancestry, gender, age, marital status, religious beliefs (including native spirituality), mental and physical ability, source of income, family status, sexual orientation, or any other category covered under the *Alberta Human Rights Act*.
11. A Member who is charged with a criminal offense, been found guilty of a criminal offense or convicted of a criminal offense shall promptly advise the Code Administrator of the charge, finding of guilt or conviction.
12. This Code cannot cover every situation in the conduct of the business of the Sponsor Board or the Plan, nor is it a substitute for common sense, individual judgement or personal integrity. In the exercise of common sense, individual judgement and personal integrity of a Member when dealing with a matter that is not specifically covered by the Code, a Member shall have regard for the Standards of Conduct set out above and comply with the spirit of those Standards.
13. Where a Member makes a disclosure under Part C, section 11, the Code Administrator shall determine the steps that the Member or Sponsor Board, or both, are required to take to protect the integrity of the Sponsor Board, which may include but are not limited to:
 - a. working with the staff of the Corporation on appropriate communications with stakeholders;
 - b. undertaking an investigation under Part E of this Code for the purposes of determining whether there is a Breach of this Code and in particular Part C, section 4;
 - c. requesting that the Member take a leave of absence, while charges remain outstanding; or
 - d. requesting that the Member step down from the Sponsor Board so that a new Member can be appointed.

D. CONFLICT OF INTEREST

1. **Furthering Private Interests**

A Member is in a Conflict of Interest situation if the Member's Private Interest conflicts with the Member's duty to act honestly and in good faith in the exercise of their powers and discharge of the



Member's responsibilities. Without limiting the generality of the foregoing, a Member is in a Conflict of Interest situation if:

- a. the Member takes part in a decision in the course of carrying out responsibilities as a Member knowing that the decision might further a Private Interest of the Member or a person Directly Associated with the Member;
- b. the Member uses the Member's office or powers to influence a decision to be made by the Sponsor Board, Corporation or Plan to further a Private Interest of the Member or that of a person Directly Associated with the Member;
- c. the Member uses or communicates information not available to the general public or Plan participants and beneficiaries that was gained by the Member in the course of carrying out the Member's office, powers, or duties to further or seek to further a Private Interest of the Member, or a person Directly Associated with the Member;
- d. the Member, or a person Directly Associated with the Member with the knowledge of the Member, obtains or accepts a fee, gift or other benefit, all of a material nature, that is connected directly or indirectly with the performance of the Member's office or duties, but not including the normal exchange of hospitality between persons doing business together or the normal exchange of gifts between friends where the total value of such gifts or hospitality does not exceed \$100 in a calendar year and the acceptance of the gift or hospitality does not compromise or appear to compromise the integrity or impartiality of the individual Member or the Sponsor Board as a whole; or
- e. the Member allows the performance of their official duties to be influenced by offers of future employment or the anticipation of offers of employment.

2. **Disclosure**

- a. Where a Member has a Conflict of Interest or Apparent Conflict of Interest, whether it relates to a matter before the Sponsor Board or a matter affecting the Plan in general, the Member shall promptly advise the Code Administrator.
- b. Where a Member makes a disclosure under Part D, section 2.a., the Code Administrator shall determine the steps that the Member or Sponsor Board, or both, are required to take to prevent the Conflict of Interest or Apparent Conflict of Interest from affecting the conduct of the matter before the Sponsor Board or the Plan in general.

- c. When a Member has a Conflict or Apparent Conflict of Interest in a matter before the Sponsor Board or a committee of the Sponsor Board, the Member shall, if present:
 - i. disclose to the Sponsor Board the existence of a Conflict of Interest or Apparent Conflict of Interest prior to discussion of the matter;
 - ii. abstain from voting on any question relating to the matter;
 - iii. abstain from discussing the matter; and
 - iv. leave the room in which the meeting is being held, or cease participation in the meeting if the meeting is held by other means, until the discussion and voting on the matter is concluded.
- d. The abstention of a Member and disclosure of a Member's Conflict of Interest or Apparent Conflict of Interest shall be recorded in the minutes of the meeting.
- e. If a Member believes the Member may have a Conflict of Interest or Apparent Conflict of Interest, the Member may ask the Code Administrator for guidance.

E. Dealing with Breaches of the Code

1. **Reporting a Potential Breach**

If a Member

- a. believes that the Member has Breached this Code, or
- b. has reason to believe that another Member has Breached the Code,

the Member shall report the potential Breach of this Code to the Code Administrator in writing within two weeks of the Member becoming aware of the potential Breach of this Code or in advance of the next Sponsor Board or Committee meeting, whichever occurs first.

2. **Responding to a Potential Breach**

- a. On receipt of a report under Part E section 1, the Code Administrator must review the report and may
 - i. direct that no further action be taken in respect of the report if the Code Administrator is of the view that
 - A. the allegation in the report is frivolous and vexatious;
 - B. the report reveals no Breach of this Code; or
 - C. the matter is too minor to warrant guidance, direction or further investigation;
 - ii. provide guidance or direction in writing to the Member if the Code Administrator is of the view that such guidance or direction will adequately protect the Plan and the integrity and reputation of the Sponsor Board; or
 - iii. investigate the matter in the report.

- b. The Code Administrator may investigate a potential Breach of this Code that comes to the attention of the Code Administrator other than through a report from a Member under Part E, section 1 if in the view of the Code Administrator the matter warrants investigation.
- c. If the matters in issue in a potential Breach of this Code are being investigated by law enforcement, the Code Administrator may allow that investigation to take precedence over the process under this Code if the Code Administrator is of the view that any delay associated with allowing that investigation to take precedence will not affect the integrity or reputation of the Sponsor Board or the ability of the Sponsor Board to fulfill its mandate under the Joint Governance Act.
- d. A decision or action by the Code Administrator under Part E, section 2.a., b. and c. is final.
- e. If the Code Administrator determines that the allegation in a report by a Member is frivolous and vexatious, the Code Administrator may investigate the conduct of the Member that made the report to determine whether it Breaches the Code.
- f. If the Code Administrator directs that no further action be taken under Part E, section 2.a.i., or provides guidance or direction under Part E, section 2.a.ii. or delays an investigation under Part E, section 2.c., the Code Administrator shall provide a report for information to the next meeting of the Sponsor Board briefly describing the nature of the matter, the action taken by the Code Administrator and brief reasons why the Code Administrator took those actions.
- g. If the Code Administrator decides to investigate the matter in the report under section Part E, section 2.a.iii. or Part E, section 2.b., the Code Administrator must:
 - i. provide the Member whose conduct is in issue a notice in writing that sets out sufficient particulars of the matter under investigation to enable the Member to provide a response; and
 - ii. give the Member no less than 14 days to provide a response to the Code Administrator in writing.
- h. In the conduct of an investigation, the Code Administrator may:
 - i. require Members or employees of the Corporation to answer questions and provide documents relevant to the matter under investigation, and the Members and employees shall cooperate; and
 - ii. obtain information or documents from any other person.



- i. Subject to approval by the Sponsor Board, the Code Administrator may:
 - i. engage the services of legal counsel, court reporters, investigators or other qualified individual to assist the Code Administrator in the conduct of the investigation; or
 - ii. delegate the conduct of the investigation to an independent third party.
- j. If the Code Administrator delegates the conduct of the investigation to an independent third party, the independent third party has all the powers and duties of the Code Administrator under this Code and the Code Administrator ceases to have any of those powers or duties in relation to that investigation.
- k. At the conclusion of the investigation, the Code Administrator shall determine whether the evidence supports a finding of a Breach of this Code.
- l. If the Code Administrator determines that the evidence does not support a finding of a Breach of this Code, the Code Administrator shall
 - i. dismiss the matter;
 - ii. advise the Member whose conduct is in issue and the Member, if any, who reported the matter that the matter has been dismissed; and
 - iii. report to the next meeting of the Sponsor Board that the matter was dismissed and briefly describing the nature of the matter and brief reasons why the Code Administrator dismissed the matter.
- m. If the Code Administrator determines that the evidence supports a finding of a Breach of this Code, the Code Administrator shall prepare a preliminary written report that sets out:
 - i. the nature of the Breach of this Code;
 - ii. the reasons why the Code Administrator is of the view that there is a Breach of this Code; and
 - iii. a recommendation for sanction.
- n. The Code Administrator shall:
 - i. provide a copy of the preliminary written report prepared under Part E, section 2.m. to the Member whose conduct is in issue; and
 - ii. give the Member no less than 14 days to provide a response in writing to the preliminary written report.
- o. After considering the response, if any, provided by the Member within the time allowed under Part E, section 2.n.ii., the Code Administrator shall
 - i. make a final decision as to whether there was a Breach of this Code by the Member;



- ii. prepare a final written report that sets out the Code Administrator's decision and the reasons for the decision; and
 - iii. if the final decision is that there is a Breach of this Code by the Member, make a recommendation to the Sponsor Board for sanction, setting out reasons for that recommendation.
- p. The Code Administrator's decision, as to whether there is a Breach of this Code by the Member is final, subject only to a review under Part E, section 4.
- q. The Code Administrator shall provide a copy of the final written report to:
 - i. the Member whose conduct was found to have Breached this Code; and
 - ii. the Sponsor Board.
- r. A Member, whose conduct has been found by the Code Administrator to have been a Breach of this Code, may, within 14 days of delivery of the report under Part E, section 2.q. to the Member, provide a written submission to the Sponsor Board.
- s. The Sponsor Board, on receiving the Report from the Code Administrator and the submissions, if any, received from the Member within the time allowed under Part E, section 2.r., shall schedule time at a meeting of the Sponsor Board or schedule a Special Meeting of the Sponsor Board to consider the matter of sanction to be imposed on the Member.
- t. Unless the Sponsor Board gives special permission to receive oral argument from the Member, the Sponsor Board shall determine the matter of sanction based on consideration of the recommendation of the Code Administrator and on the written submissions of the Member, if any, received within the time allowed under Part E, section 2.r.
- u. The Code Administrator may be present, participate in and vote at the meeting of the Sponsor Board that considers the recommendation for sanction.
- v. Unless permitted to attend for the purpose of making oral argument under Part E, section 2.t., the Member whose conduct Breached this Code, shall not be present at the meeting or part of the meeting of the Sponsor Board that considers the recommendation for sanction.

3. *Consequences of a Breach*

- a. The Sponsor Board shall determine the sanction, which, may include, but is not limited to:
 - i. a reprimand;
 - ii. a request that the Member resign from the Sponsor Board; and
 - iii. a recommendation to the Member's Nominating Body that the Member be removed from the Sponsor Board.



- b. The Sponsor Board shall issue written reasons for its decision on sanction, which may be signed by the Code Administrator on behalf of the Sponsor Board.
- c. The Sponsor Board shall cause a copy of the reasons under Part E, section 3.b. to be provided to the Member whose conduct Breached this Code.
- d. The Sponsor Board shall determine what, if any, other distribution there should be of the decision of the Code Administrator and decision of the Sponsor Board on sanction.
- e. Access to any records under Part E, section 3.d. shall be restricted to individuals approved by the Sponsor Board who have a need to have access to those records for the purposes of the Sponsor Board.

4. *Review of Process Leading to a Decision*

- a. A Member whose conduct was determined by the Code Administrator to have been a Breach of this Code, may apply in writing to the Sponsor Board, no later than 14 days after the decision of the Code Administrator was provided to that Member, for a review of the process that led to the decision to ensure that it complied with the requirements of this Part of the Code.
- b. An application under Part E, section 4.a. shall set out the reasons why the Member believes that the process did not comply with the requirement of this Part of the Code.
- c. The Sponsor Board may review the record of the investigation and decision of the Code Administrator in determining whether the process that led to the decision complied with the requirements of this Part of the Code.
- d. Neither the Member who made the application for review nor the Code Administrator shall participate in the review.
- e. If the Sponsor Board determines that the process did not conform with the requirements of this policy, the Sponsor Board may:
 - i. set the decision aside and remit it to the Code Administrator to investigate again and determine the matter afresh, in accordance with any directions that the Board considers necessary;
 - ii. appoint an independent investigator to exercise the powers and duties of the Code Administrator under this Code with respect to the matter; or
 - iii. set the decision aside without remitting it to the Code Administrator.

5. *Confidentiality Obligations under this Part of the Code*

- a. The Code Administrator, any Member, including the Member whose conduct is the subject of report or an investigation, and any staff Member of the Corporation shall maintain the



confidentiality of any information or documents obtained or created in the course of an investigation or the consideration of any matter related to an investigation under this Part.

- b. Despite Part E, section 5.a.,
 - i. the Code Administrator may disclose information or documents to the extent necessary to undertake the investigation and fulfill the Code Administrator's obligations under this Part;
 - ii. the Member whose conduct is subject of a report or a complaint may disclose information and records to that Member's legal counsel for the purpose of receiving legal advice and representation in the process under this Part, and
 - iii. the Sponsor Board may disclose the final decision of the Code Administrator on whether or not there is a Breach of this Code and the Sponsor Board's decision on the sanction to be imposed where there is a Breach of this Code to
 - A. a complainant;
 - B. the Nominating Body that appointed the Member, and
 - C. any other person if the Sponsor Board considers that such disclosure is necessary to preserve the integrity of the Sponsor Board and its processes.
- c. The Code Administrator and the Sponsor Board may, in respect of any disclosure made under Part E, section 5.b.i or iii. require that the recipient first provide a non-disclosure agreement as a condition of receiving the information or documents.

F. Administration of the Code

1. **Declaration for new Members**

- a. The Code Administrator shall ensure that each new Member receives a copy of this Code promptly upon joining the Board.
- b. After having received a copy of this Code, each new Member shall confirm in writing that:
 - i. the Member has received a copy of this Code and has read and understood it; and
 - ii. the Member will adhere to the Code and will report any known or potential Breaches of this Code to the Code Administrator as set out in Part E.

2. **Annual Declaration for Members**

- a. Each Member shall confirm, in writing:
 - i. at the beginning of each year that the Member has received a copy of this Code and has read and understood it; and

- ii. at the end of the year, that the Member has adhered to this Code and has reported any known or potential Breaches of this Code to the Code Administrator.

3. Declaration of Conflict of Interest

- a. Each Member shall complete, sign and date a Declaration of Conflict of Interest.
- b. Each Member shall promptly update the Member's Declaration of Conflict of Interest if there are any changes in the Member's circumstances that may give rise to a Conflict of Interest or Apparent Conflict of Interest.
- c. Each Member's Conflict of Interest Declaration, as updated from time to time, shall be kept on file for the duration of the Member's tenure on the Sponsor Board.

4. Records retention

- a. Subject to Part E, section 3. e., all records related to any report, investigation, decision and reasons for decision shall be maintained for a 10 year period from:
 - i. the date the Code Administrator provides a copy of the Report to the Member under Part E, section 2.q. if the Code Administrator determined that there was no breach of the Code;
 - ii. the date the Sponsor Board provides a copy of its written reasons on sanction under Part E, section 3.b. to the Member if the Member's conduct was found to have breached this Code.
- b. If the Sponsor Board adopts a record retention policy that applies to records of reports, investigations, decisions and reasons for decision under this Part E, that record retention policy governs the time period which those records shall be maintained.

5. Review

- a. This Code shall be reviewed at least once every three years.
- b. Within the three-year review period, the Sponsor Board shall conduct a comprehensive review of the Code to ensure compliance with the Joint Governance Act and its regulations, if applicable, and to reflect the environment in which the Sponsor Board operates.
- c. Any amendments to this Code shall come into force 30 days after the amended Code is approved by the Sponsor Board.