

## **Ombudsman for Banking Services and Investments Board of Directors' Code of Conduct**

### **1. Purpose**

- 1.1** This Code sets out OBSI's expectations of its directors. Directors are expected to govern their conduct and behaviour in a manner consistent with the guidelines set out herein. This Code is simply a formal statement of the policies and principles of conduct OBSI has always embraced. Contravention of the Code is a serious matter to OBSI and will be treated as such.

### **2. Application**

- 2.1** This Code applies to all directors. All directors should be provided with a copy of the Code and sign a written acknowledgement on an annual basis confirming receipt and understanding of the Code.

### **3. Description of Appropriate Conduct**

- 3.1** All directors of OBSI stand in a fiduciary relationship to OBSI. As fiduciaries, directors must act honestly and in good faith with a view to the best interests of OBSI and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- 3.2** Directors of OBSI must follow the highest standards of ethical behaviour in the course of their work to ensure that the confidence and trust of members and other stakeholders is maintained. OBSI and all its directors must be above suspicion and beyond reproach, and must be perceived in this manner.
- 3.3** OBSI directors must comply with the conflict of interest rules in OBSI's By-laws and governing legislation, including applicable disclosure requirements. In addition, directors should be aware of circumstances where there may not be an actual conflict but there may be the perception of one. In these circumstances, directors should, where appropriate given the nature and materiality of the issue and having regard to how the situation might be perceived by others, disclose the potential perceived conflict and consider not voting on any resolution to approve any applicable contract or transaction (unless the contract or transaction is one that the director would be entitled to vote on in the event of a conflict pursuant to OBSI's By-laws and governing legislation).
- 3.4** OBSI directors must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts, or any other unfair dealing or unethical activity.
- 3.5** Directors should be aware that OBSI will be judged not only in terms of how competent its representatives are at conducting their roles within the organization, but also on their

integrity and how they behave at work, in community or political involvement and in the public expression of personal views.

- 3.6** Each director needs to be aware of and comply with applicable laws, rules and regulations. Organizationally and individually, directors must never knowingly violate laws or willfully blind themselves to their legal or regulatory responsibilities or be a party to such actions or omissions.
- 3.7** Directors acknowledge that properly authorized Board actions must be supported by all directors. The Board speaks with one voice. Those directors who have abstained or voted against a motion must adhere to and publicly support decisions made by the Board.
- 3.8** Directors must be aware of OBSI's policies and conduct themselves in a manner consistent with those policies and the Code.
- 3.9** Appropriate conduct and behaviour includes but is not limited to:
- (a) competent performance of all duties assigned;
  - (b) prompt and regular attendance at meetings;
  - (c) courtesy to and respect for employees, or any other person who deals with OBSI in the conduct of its business;
  - (d) directors must not engage in, or condone behaviour which causes unnecessary mental, physical distress or loss of dignity, privacy or autonomy to employees or suppliers; and
  - (e) directors have a responsibility to promote and safeguard the well-being and safety of employees, officers and fellow directors at all times by ensuring that no act or omission on their part places them at risk or in harm's way.
- 3.10** Inappropriate conduct and behavior includes but is not limited to:
- (a) using obscene or abusive language;
  - (b) spreading malicious gossip or rumours;
  - (c) harassing, threatening, intimidating, coercing any person at any time;
  - (d) sexual harassment;
  - (e) inappropriate comments directed at an individual related to the person's sex, sexual orientation, racial background, religion, or physical ability;
  - (f) engaging in an inappropriate relationship or committing any improprieties regarding any employee of OBSI; and

- (g) theft and/or falsification of company records; threat of/or actual physical contact of any kind when there is a perception of physical violence.

*Reviewed and approved by the Board of Directors, September <@>, 2014*