



# Ontario Securities Commission

## Code of Conduct

**Effective April 29, 2022**



## Our Vision

To be an effective and responsive securities regulator – fostering a culture of integrity and compliance and instilling investor confidence in the capital markets.

## Our Mandate

To provide protection to investors from unfair, improper or fraudulent practices, to foster fair, efficient, and competitive capital markets and confidence in the capital markets, to foster capital formation, and to contribute to the stability of the financial system and the reduction of systemic risk.

## Our Values

### Professional

- Protecting the public interest is our purpose and our passion
- We value dialogue with the marketplace
- We are professional, fair-minded and act without bias

### People

- To get respect, we give it
- Diversity and inclusion bring out our best
- Teamwork makes us strong

### Ethical

- We are trustworthy and act with integrity
- We strive to do the right thing
- We take accountability for what we say and do

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# Introduction

As a regulator of Ontario’s capital markets, trust and respect are the cornerstone of the relationship between the Ontario Securities Commission (OSC or we) and investors, market participants, other regulators, the government and the general public.

We are committed to the highest standards of ethical conduct in all our activities. This means conducting our activities in accordance with all applicable laws and regulations, and it also means commitment to the spirit of the law. Our actions should always reflect the OSC’s values, demonstrate ethical leadership, and promote a work environment that upholds our reputation and demonstrates our commitment to our core values.

This Code of Conduct (Code) is a statement of the values and principles that guide us in our day-to-day activities. All appointees and employees are expected to be aware of, and comply with, this Code and the policies that reinforce the Code.

We are proud of our organization and the services we deliver. It is only through the continued commitment and effort of each appointee and employee that the high quality of our work will continue to be achieved and public trust will be maintained.

# 1. Complying with this Code

## 1.1 Components of this Code

This Code consists of the following documents:

- this booklet, including any appendices
- all OSC policies listed in Appendix A

Our Board has approved and adopted this Code.

### **Our obligations under the *Public Service of Ontario Act, 2006***

All OSC appointees and employees must comply with the ethical standards set out in Ontario Regulation 381/07 to the *Public Service of Ontario Act, 2006* (PSOA) *Conflict of Interest Rules for Public Servants (Ministry) and Former Public Servants (Ministry)* (the Regulation), as may be amended from time to time. A copy of the Regulation can be found on the OSC's Corporate Policies and Procedures database.

Where a provision of this Code is inconsistent with a provision of the Regulation, you must comply with the Regulation. An inconsistency arises where a provision of this Code establishes a degree of ethical conduct that is lower than is established by the Regulation.

The PSOA identifies an Ethics Executive for each public body. The Ethics Executive for employees, other than those who work exclusively for the Capital Markets Tribunal, is the CEO of the OSC. The Ethics Executive for our Board Directors (other than the Chair and the CEO) is the Chair of the OSC. The Ethics Executive for adjudicators (other than the Chief Adjudicator) and employees who work exclusively for the Capital Markets Tribunal is the Chief Adjudicator. The Ethics Executive for our Chair, CEO, and Chief Adjudicator is the Integrity Commissioner appointed under the PSOA.

The authority of the Integrity Commissioner is limited to dealing with matters that are governed by the PSOA, and only to the extent it involves "public servants" as defined in the PSOA, i.e. employees of or appointees to the Commission.

## 1.2 Who this Code applies to

Unless noted otherwise, all of the provisions of this Code apply to:

- full-time and part-time employees, including temporary, seconded or contract staff and employees on leave,
- all appointees to the Commission's Board of Directors and the Capital Markets Tribunal, and
- persons who have regular and recurring access to Commission premises and access to information of a confidential nature or one or more databases that contains

confidential information, whether or not the person is retained by the Commission under a fee-for-service agreement.

The provisions of this Code do not apply to employees of the Royal Canadian Mounted Police's Integrated Market Enforcement Team who are working on OSC premises in the Joint Securities Intelligence Unit or Joint Serious Offences Team.

#### **Definitions in this Code**

"adjudicators" refers to all adjudicators of the Capital Markets Tribunal including the Chief Adjudicator.

"appointees" refers to the Board Directors and adjudicators together.

"Board Directors" refers to all members of the Board of Directors of the Ontario Securities Commission including the Chair, but not including the CEO.

"employees" refers to all full-time and part-time employees of the Commission, including the CEO.

### **1.3 Your responsibilities**

Complying with this Code is a condition of your employment or appointment. In addition, you are required under the PSOA to comply with sections 2, 3, 4, 5, and 9 of this Code.

You are responsible for:

- certifying that you have received, read, understand and agree to comply with this Code, and any policies incorporated or referred to in it, when you join the OSC and annually as of December 31
- attending any required training sessions relating to this Code
- upholding the OSC's values, principles and standards as described in this Code
- performing your duties fully and competently
- avoiding putting yourself in an actual, apparent or potential conflict of interest
- notifying your Ethics Executive if you have an actual, apparent or potential conflict of interest (see section 9, *Reporting a conflict of interest*), and
- reporting any violations of this Code (see section 10, *Reporting a violation*).

### **1.4 Exceptions**

There are no exceptions to the requirements of the PSOA.

While everyone at the OSC is expected to follow this Code, common sense and good faith require us to have the flexibility to address exceptional circumstances that could otherwise lead to unjust or unreasonable results.

In appropriate circumstances, a waiver of compliance with one or more provisions of this Code other than a requirement set out in the PSOA may be granted by:

- the CEO, for employees other than the CEO,
- the Chief Adjudicator, for adjudicators other than the Chief Adjudicator,
- the Chair, for Board Directors other than the Chair, and
- the Chair of the Governance and Nominating Committee for the Chair, Chief Adjudicator and CEO.<sup>1</sup>

### **Oath/Affirmation of Office and Allegiance**

When you join the OSC, you are required to swear or affirm two oaths – the Oath or Affirmation of Office and the Oath or Affirmation of Allegiance. The Oath or Affirmations of Allegiance confirms your loyalty to the Crown as the symbol of the Head of State. Only appointees and employees are required to swear or affirm the two oaths. Contractors are not required to swear or affirm the two oaths.

The Oath or Affirmation of Office confirms your:

- duty of loyalty to the OSC,
- duty to comply with all laws of Canada and Ontario (including the recognition and affirmation of the Aboriginal and treaty rights of Indigenous peoples), and
- obligation to maintain confidentiality.

## **1.5 What happens if you do not comply**

Violations of this Code will be taken seriously and could result in disciplinary action. This could include suspension, or termination of your employment or appointment.

### ***If an appointee does not comply***

The Ethics Executive is required to report to the Minister responsible for the appointment of an appointee any circumstance where, in the opinion of the Ethics Executive, an appointee has:

- contravened section 2, 3, 4, 5, or 9 of this Code, or
- failed to comply with a direction received or a regulation under the PSOA.

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<sup>1</sup> The Integrity Commissioner is the ethics executive for the Chair, Chief Adjudicator and CEO. As such, the Chair, Chief Adjudicator and CEO, or the Chair of the Governance and Nominating Committee on their behalf, may also request that the Integrity Commissioner determine a question about the application of conflict of interest rules applicable to the Chair, Chief Adjudicator or CEO.



## **1.6 Where to go for help**

Ethical situations can have serious implications for you and for the OSC. We do not expect you to deal with them on your own. We have an open door policy and encourage all employees and appointees to seek guidance if they have any questions or concerns.

### ***(a) Employees***

In most cases, your immediate supervisor is in the best position to help you. Where appropriate, you can also speak to your Director, your Human Resources representative, or a member of the General Counsel's Office.

In addition to these people, your Ethics Executive can help you with questions about confidentiality, conflicts of interest, personal trading and political activity. The Compliance Office (within the General Counsel's Office) can also answer questions about personal trading restrictions, prohibitions and reporting.

### ***(b) Appointees***

Adjudicators can seek guidance on adjudicative matters from the Governance and Tribunal Secretariat. For all other matters under this Code, contact your Ethics Executive or the Compliance Office, as appropriate.

## **2. Keeping information confidential**

### **2.1 What is confidential information?**

Confidential information is any information that:

- is not available to the public, and
- could result in harm to the OSC or the Crown or could give the person to whom it is disclosed an advantage if it was disclosed.

### **2.2 Why confidentiality is important**

You may have access to confidential information about the OSC, our employees, investors, market participants, other regulators, the government and other parties that we deal with because of your position with us.

Our stakeholders, our market participants and our colleagues expect us to use and protect confidential information appropriately. Taking proper care in handling confidential information protects personal privacy and the integrity of Ontario's capital markets.

## 2.3 Using confidential information

You may not use confidential information:

- to directly or indirectly benefit you or anyone else, or
- in a business or for other activities outside your work for the OSC.

## 2.4 Disclosing confidential information

You may disclose confidential information to others at the OSC only when it is required for you to properly perform your duties.

You must not disclose confidential information outside the OSC unless you are authorized to do so by law or the OSC.

You must not accept a gift, directly or indirectly, in exchange for disclosing confidential information.

## 3. Avoiding conflicts of interest

If a provision in these rules establishes a degree of ethical conduct that is lower than that set out in the Regulation, you must comply with the Regulation.

### 3.1 What is a conflict of interest?

A conflict of interest arises when your work for the OSC could be affected by a personal interest or personal association. It becomes significant if an independent third party might reasonably take the view that your personal interest or personal association could affect, or appear to affect, your ability to act impartially.

### 3.2 Examples

Conflicts of interest may arise in various ways, for example, as the result of:

- a direct or indirect financial interest, including an interest held by a commercial undertaking that you have connections with
- a personal association or relationship with those affected, or likely to be affected, by the matter
- an expectation of a future interest (for example, future employment)
- a previous association with a matter, or
- an interest with a common interest group, such as a public or private society.

This list is not exhaustive and the situations noted above will not necessarily give rise to a significant conflict of interest in all cases.

### **3.3 Why we should be concerned about conflicts of interest**

OSC employees and appointees are in a position of trust and are accountable for fulfilling their duties with integrity. As members of the public service, we have a duty to serve in the best interests of the public. The public must have confidence in the impartiality of OSC decision-makers and the transparency of the services we provide. The conflict of interest rules in this Code are intended to help employees and appointees act honestly and ethically in all situations.

### **3.4 Your responsibilities**

You must take all reasonable steps to avoid being in an actual, apparent or potential conflict of interest. If you are involved in an actual, apparent or potential conflict of interest, you must do everything you can to remove yourself from it.

If you are not sure whether you have, or could have, a conflict of interest, ask yourself whether a reasonable person who knows the facts might conclude that you could not act impartially. If you are still unsure, consult your Ethics Executive.

### **3.5 Types of conflicts to avoid**

#### **(a) Gifts**

“Gifts” include any direct or indirect gifts, favours, payments, meals, entertainment or any other benefit that you may be offered in the course of your work. This includes, but is not limited to, gifts from any person, group or entity that:

- we regulate,
- does, or seeks to do, business with the OSC or the Crown,
- has dealings with the OSC or the Crown, or
- you provide services to when you perform your duties at the OSC or the Crown.

As a general rule, you may not seek or accept a gift if a reasonable person might conclude that it could influence you, or appear to influence you, in performing your duties.

You may accept a gift of nominal value only if it is reasonable in the circumstances and it:

- is a normal courtesy or customary expression of hospitality,
- could not reasonably influence, or appear to influence, your judgment,
- does not create an obligation for you or for the OSC, and
- would not embarrass you or the OSC if it was disclosed publicly.

You may refer to our *Guidance for Staff on Third Party Functions and Other Gifts* for further information and specific examples. If you are satisfied that attendance at an event or accepting other gifts is appropriate under our Code and this guidance, there is no requirement to pre-clear acceptance with your Ethics Executive. However, it is

necessary to provide a report on all invitations to events or other gifts before accepting or within a reasonable amount of time after accepting.

If you are unsure whether you can accept a gift, consult with your Ethics Executive.

### **(b) Taking advantage of your position**

You must never use, or attempt to use, your position or employment with the OSC to:

- directly or indirectly benefit you or a member of your family,
- act on any matter if your personal interest could affect your ability to act impartially, or
- act in any other way that contravenes this Code.

In this Code, “family” includes:

- your spouse, as defined in section 1 of the *Family Law Act*,
- the person who lives in a conjugal relationship outside marriage with you, and
- your children, grandchildren, parents, grandparents and siblings.

### **(c) Participation in decision-making**

You may not participate in making any decisions at the OSC or the Crown if you could benefit from the decision, unless you have prior written permission from your Ethics Executive to participate in the decisions.

If you are a member of a body or group, you may not, in the course of your duties at the OSC, participate in, or attempt to influence, any decision-making of that body or group if:

- you could benefit from the decision, or
- as a result of the decision, the interests of the body or group could conflict with the interests of the OSC or the Crown.

In either case, you must inform the body or group of the circumstances.

### **(d) Preferential terms**

You may not accept the services of a registrant on terms that you know are more favourable than the registrant normally offers.

In this Code, “registrant” has the meaning as defined in the *Securities Act* (Ontario) and the *Commodities Futures Act* (Ontario).

### **(e) Preferential treatment**

In the course of your work at the OSC, you may not:

- give preferential treatment, or the appearance that you are giving preferential treatment, to any person or entity. This includes any person or entity with or in

- which you or a member of your family or a friend has a relationship or an interest, or any former employee or appointee at the OSC, or
- offer assistance to any person or entity dealing with the OSC other than assistance given in the ordinary course of performing your duties.

### **(f) Family relationships**

You may not:

- enter into a contract on behalf of the OSC with:
  - a member of your family, or
  - a person or entity that you or a member of your family has a significant relationship with or a substantial interest in, or
- directly or indirectly hire a member of your family.

If you are hiring someone on behalf of the OSC, you must ensure that they do not report to, or supervise the work of, a member of their family.

If you report to, or supervise the work of, a member of your family, you must notify your Ethics Executive.

### **(g) Outside employment and activities**

You may not become employed by or engage in a business or undertaking, outside your employment or appointment with the OSC if:

- your private interest in the employment or undertaking could conflict with your duties at the OSC,
- the employment or undertaking would interfere with your ability to perform your duties at the OSC,
- the employment is in a professional capacity and is likely to influence or harm your ability to perform your duties at the OSC,
- the employment could be considered full-time employment for another person (except if you are employed part-time by the OSC, you are a part-time appointee, or you are on an authorized leave of absence and the employment is permitted under the terms of your leave of absence),
- someone who is connected to the employment or undertaking could gain an advantage from your employment or appointment at the OSC, or
- OSC or government premises, equipment or supplies are used in the employment or undertaking.

You must promptly report to your Manager or Director any outside employment, business or volunteering or other undertaking when you join the OSC or after you join the OSC, and when there is a change in the activity previously reported. An Outside Employment, Business or Volunteer Activity Declaration Form, must be completed electronically in the compliance system and acknowledged by you and your Manager or Director.

We recognize that part-time appointees are engaged in outside employment or business or professional activity. We expect potential conflicts of interest to be avoided by part-time appointees through the removal or recusal of a part-time

appointee from consideration of any matter at the OSC that may raise a conflict as a result of such outside activities. We also expect appointees to remove or recuse themselves from consideration of any matter at the outside employment, business or professional activity that may raise a conflict because it relates to a matter involving the OSC or the Crown.

### **(h) Holding office at a registrant or reporting issuer**

You may not act as an officer of a registrant or a reporting issuer or as a director of a registrant. The prohibition in the preceding sentence does not apply to part-time adjudicators.

You may not act as a director of a reporting issuer unless:

- you are a part-time appointee,
- you have notified the Chair in advance if you are a Board Director or you have notified the Chief Adjudicator in advance if you are an adjudicator, and
- the Chair or Chief Adjudicator approves it, as applicable.

In the case of the Chair, approval must be sought from the Chair of the Governance and Nominating Committee.

In this Code, "reporting issuer" has the meaning defined in the *Securities Act* (Ontario).

### **(i) Involvement in OSC matters**

You must not exercise your authority in a matter before the OSC if you:

- have a personal or pecuniary interest relating to the matter that is, or could reasonably be perceived to, conflict with your ability to exercise an unbiased judgment,
- believe that you would be unable to render an impartial decision, or
- have continuing or prior associations or relationships, including family and other close personal relationships, that would reasonably be perceived as preventing you from rendering an impartial decision.

### **(j) Leaving the OSC**

You must not allow the prospect of your future employment or position to interfere with your duties at the OSC or the Crown.

## **3.6 After you leave the OSC**

Section 3.6 applies to every former employee or appointee who worked at the OSC, immediately before he or she ceased to be a public servant.

You may find yourself in a conflict of interest after your employment or appointment with us ends, for example, because of the knowledge you gained or the relationships you made at the OSC. To avoid an actual, apparent or potential conflict of interest between your new employment and your former duties with the OSC, the following rules apply to your activities after you leave the OSC. These rules are not intended to overly restrict former employees and appointees in seeking other employment.

**(a) Confidential information**

You may not use confidential information that you obtained during your employment or appointment with the OSC in any business or undertaking.

You may not disclose confidential information to any person or entity, unless you have been authorized to do so by law, by the OSC or by the Crown.

**(b) Preferential treatment**

You may not seek preferential treatment by, or privileged access to, appointees or employees of the OSC or any other public servant who works in a minister's office, a ministry or a public body.

**(c) Continued involvement in OSC matters**

You may not advise or otherwise assist any public body or any other person or entity in connection with any application, proceeding, negotiation or other matter that you were involved in when you were at the OSC, unless

- (i) the OSC or the Crown is no longer involved in it, or
- (ii) one of the exceptions noted in (e) applies.

**(d) Appearing before the Commission**

You may not communicate with, or appear before, the Commission, the Capital Markets Tribunal, any appointee or employee, on any application, proceeding, hearing or other OSC matter for the following period, unless one of the exceptions noted in (e) applies:

- 12 months for former appointees, former CEOs, former Executive Directors, former Directors and Deputy Directors,
- six months for former Managers and former Assistant Managers, and
- three months for any other former employees who had more than two years of service with the OSC.

**(e) Exceptions**

The limits noted in section 3.6(c) or (d) do not apply if you:

- advise or otherwise assist the OSC with an application, proceeding, hearing or other matter that you were involved in when you were at the OSC, or
- submit written comments to the OSC in response to a public request for comment that the OSC issued.

**(f) Individuals formerly in Designated Senior Positions**

The following additional restrictions apply to a former staff or appointee who was in a designated senior position immediately before ceasing to be a public servant.

For purposes of section 14 of Regulation 381/07 to the PSOA, and for purposes of section 3.6 of our Code including the corresponding restrictions set out in s.3.6(f), “designated senior position” means any of the following:

- OSC appointees;
- the CEO;
- the Executive Director;
- all members of the OSC’s Executive Management Team; and
- Deputy Directors.

“Public body” means a body that is prescribed as a public body under clause 8(1.1)(a) of the PSOA.

***(i) Employment***

You may not accept employment with a public body, person or entity or serve as a member of the board of directors or other governing body of a public body, person or entity within the first 12 months of leaving the OSC, if, during the 12 months before leaving the OSC, you had:

- substantial involvement with that public body, person or entity, and
- access to confidential information that, if disclosed to the public body, person or entity, could result in harm to the OSC or the Crown or could give the public body, person or entity an unfair advantage in relation to other parties.

***(ii) Lobbying***

You may not lobby any of the following persons for, or on behalf of, a public body or another person or entity for the first 12 months after leaving the OSC:

- any appointee or employee of the OSC;
- any public servant who works in a ministry in which you worked at any time during the 12 months before you ceased to be a public servant;
- any minister of any ministry in which you worked at any time during the 12 months before you ceased to be a public servant; and
- any public servant who works in the office of a minister of any ministry in which you worked at any time during the 12 months before you ceased to be a public servant.

**Guidelines on Post-Service Conflict of Interest Rules**

The Guidelines to Post-Service Conflicts of Interest Rules provides additional clarity on the rules, including the requirements under the PSOA that apply to former employees and appointees.

You will find this document and additional information on conflicts of interest including helpful resources on the OSC Intranet.



## 4. Personal trading (Conflicts of Interest)

### 4.1 Overview and key terms

When you invest your own money in the markets, you are prohibited from trading on actual knowledge of non-public information about an issuer. You must also ensure that the decisions you make are not based, or do not appear to be based on such information.

Our personal trading rules require you to:

- pre-clear all trades of securities in your “covered accounts”, with certain exceptions, such as for trades in “exempt securities”,
- trade in a security only if you have been given clearance to do so,
- comply with certain trading restrictions, and
- report trading of securities in your covered accounts to the Compliance Office other than trading in “exempt securities”.

Each of these requirements is explained in more detail in this section.

#### **In this Code key terms means:**

**covered account** – a brokerage account that includes following types of accounts :

- a brokerage account, in which you have a direct or indirect beneficial interest, or over which you exercise, direct or indirect control or direction. For example, this includes a brokerage account held:
  - by a corporation, partnership or other entity in which you participate in the investment or voting decisions, and
  - by an investment club in which you are a member,
- a brokerage account held solely in the name of your spouse or minor children, or
- a brokerage account over which you have a power of attorney or act as trustee.

If you are unsure if a brokerage account is a covered account, contact the Compliance Office. For further clarity, a brokerage account is an account that can hold non-exempt securities.

**brokerage account** – A brokerage account is an investment account that allows you to buy and sell a variety of investments, such as stocks, bonds, mutual funds, and ETFs.

**exempt securities** – securities that are listed or referred to in Appendix B

**eligible blind trust** – a blind trust, or similar non-trust arrangement, under

which:

- someone other than you has sole discretion to make all trades of securities,
- you are not told about these trades, and
- your Ethics Executive has been given a copy of the terms of trust or arrangement and has given written approval of it in advance (in the case of your Ethics Executive a copy of the trust or arrangement should be given to the Chair of the Governance and Nominating Committee for approval).

**eligible fully managed discretionary account** – an account under which:

- an appropriately registered adviser, through discretionary authority granted by the account holder, makes the investment decisions,
- the adviser has full discretion to trade in securities for the account without requiring your express consent to carry out transactions,
- you and the adviser confirm in writing that you have not consulted with, influenced or attempted to influence the investment decisions, and
- the Compliance Officer has been given a copy of your managed discretionary account agreement governing the operation of your account.

You may, however, discuss investment strategy and philosophy with the adviser without affecting the eligibility of the account.

**security** – any instrument regulated under the *Securities Act* or the *Commodity Futures Act*. This includes a share, bond or debenture or other form of corporate debt, interests in trust and limited partnerships, options, commodity futures contracts and commodity futures options.

**spouse** – any person who resides in the same home as you and to whom you are married or with whom you are living in a conjugal relationship outside of marriage.

**trade** – any activity that represents a change in legal or beneficial ownership of securities. This includes purchases, sales, gifts and donations.

## 4.2 Pre-clearing trades

This section 4.2 does not apply to part-time adjudicators. You must obtain approval before undertaking any trade in any covered account, unless one of the exceptions noted below applies. This is called “pre-clearing” a trade.

When you ask for pre-clearance, you must confirm that you do not know any non-public information that could reasonably be expected to have a significant effect on the market price or value of the security you want to trade.

You may not place a trade before clearance has been given, if clearance has been denied or revoked.



You may not engage in excessive trading or trading that could interfere with your job responsibilities. We monitor trading activity and may require you to limit the number of your trades. This restriction applies to trades in exempt securities.

***(b) Hold period***

This subsection 4.3(b) does not apply to part-time adjudicators.

You may not buy and subsequently sell (or sell and buy) the same security within any 15-business day period, unless you get written approval in advance from your Ethics Executive, or your Ethics Executive's designate.

Your Ethics Executive will consider all of the circumstances, including whether the trade would create an appearance of impropriety and whether it is necessary because of your financial or personal circumstances. In the case of the Chair, Chief Adjudicator, or CEO, approval must be sought from the Chair of the Governance and Nominating Committee.

The 15-business day hold period restriction does not apply to trades in exempt securities. This restriction applies to trades that are executed as a result of a Good-Til-Canceled (GTC), or other open order.

***(c) Insider trading***

You must not trade, or encourage anyone else to trade, a security of an issuer when you know non-public information related to the issuer that would reasonably be expected to have a significant effect on the market price or value of the security.

***(d) Tipping***

You must not inform, other than is necessary for you to properly perform your duties, another person or company of non-public information related to an issuer that would reasonably be expected to have a significant effect on the market price or value of the security.

***(e) Prospectuses, continuous disclosure reviews, applications and compliance reviews***

If you know of an unreceipted prospectus or an open continuous disclosure file, exemption application or compliance review, you may not trade, or encourage anyone else to trade, a security of that issuer while the filing is being processed, the application is pending or the review is ongoing.

***(f) Investigations***

If you know that we, another regulator or a law enforcement agency is investigating an issuer, or any of its insiders, associates or affiliates, you may not trade, or encourage someone else to trade, securities of that issuer.

***(g) Securities of registrants***



You are required to disclose information about you, your spouse, and your covered accounts and trades. The table below sets out what you are required to disclose, when you must disclose the information and how to report it.

Upload all forms and reports noted in the table below to the Compliance Office compliance system. All of these forms and reports are confidential. We will only share this information with others at the OSC if it is needed to conduct our compliance reviews. We will only disclose this information outside the OSC if we are required to do so by law.

<b>What you must disclose</b>	<b>When you must disclose it</b>	<b>How to report it</b>
<p>Personal and account information, including:</p> <ul style="list-style-type: none"> <li>• whether you are employed with a registrant</li> <li>• whether your spouse is a registrant or is employed with a registrant</li> <li>• a list of all your covered accounts and</li> <li>• an account statement of your securities holdings and recent activity for each of your covered accounts except for:               <ul style="list-style-type: none"> <li>(i) an account held by your spouse or minor children if you do not:                   <ul style="list-style-type: none"> <li>- participate in, implement or influence investment decisions in that account, and</li> <li>- exercise any form of voting control over the securities</li> </ul> </li> <li>(ii) securities held in an eligible blind trust or in an eligible fully managed discretionary account, or</li> <li>(iii) securities held in a "special account" as</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• When you start your employment or appointment with the OSC and as of December 31 each year.</li> <li>• Portfolio statements are required no less than quarterly for applicable covered accounts. Statements should be received no later than the last day of the month following the end of the calendar quarter.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete the Code of Conduct and the Personal Trading Agreement through the compliance system including disclosing the applicable covered accounts in the system</li> <li>• See the Guidelines to OSC Personal Trading Rules for information on delivery of portfolio statements electronically, including the information that may or may not be redacted from copies of your account statements that you upload to the Compliance system.</li> <li>• Two options:           <ul style="list-style-type: none"> <li>(a) Ask your broker/dealer that you have an applicable covered account with to deliver duplicate portfolio statements to the Compliance Office electronically</li> </ul> </li> </ul>

What you must disclose	When you must disclose it	How to report it
designated by the Ethics Executive.		<p>(subject to availability of this service at the broker/dealer);</p> <p>(b) Upload to the compliance system a copy of your electronic account statement issued to you by the firm.</p> <ul style="list-style-type: none"> <li>• The reporting requirements for securities holdings do not apply to: <ul style="list-style-type: none"> <li>(i) any account held by your spouse or minor children, provided the required certification has been made annually;</li> <li>(ii) an eligible blind trust or an eligible fully managed discretionary account, and</li> <li>(iii) a "special account" as designated by the Ethics Executive.</li> </ul> </li> </ul>
New covered account	Within five business days of opening the account	<ul style="list-style-type: none"> <li>• Disclose the account in the compliance system.</li> </ul>

## 4.6 Rules for part-time adjudicators

A part-time adjudicator may not trade securities of any issuer involved in a hearing or potential hearing to which the adjudicator has been assigned. This trading prohibition does not apply to securities held in an eligible blind trust or an eligible fully managed discretionary account.

## **4.7 Mandatory divestiture of securities on the prohibited securities list**

Prior to commencing employment or first commencing to serve as an appointee, employee or the appointee must dispose of securities on the prohibited securities list, unless these securities are held or traded in an eligible fully managed discretionary account.

## **4.8 Grace period for new employees and appointees**

This section 4.8 does not apply to part-time adjudicators. Within one month of commencing employment or first commencing to serve as an appointee, employees and appointees may dispose of any securities in their covered accounts without seeking pre-clearance provided that the individual is not acting on non-public information. You must notify the Compliance Office in writing of any securities sold under this provision within 14 days of disposition.

# **5. Political activity**

## **5.1 What is political activity?**

The PSOA governs the political activities that you may engage in.

The PSOA defines political activity as:

- anything you do in support of or in opposition to:
  - a federal or provincial political party, or
  - a candidate in a federal, provincial or municipal election.
- seeking to become a candidate in a federal, provincial or municipal election, or
- making comments publicly and outside the scope of your duties at the OSC about matters that relate directly to those duties and are dealt with in the positions or policies:
  - of a federal or provincial political party, or
  - that have been publicly expressed by a candidate in a federal, provincial or municipal election.

## **5.2 Rules for employees**

Subject to the prohibitions and restrictions set out in the PSOA, as an employee, you have the right to engage in political activity on your own time and at your own expense.

## **5.3 Rules for Appointees**

As an appointee, you generally do not have the right to engage in political activity except as expressly permitted under the PSOA.

You are expressly permitted to:



- vote in a federal, provincial or municipal election,
- contribute money to a federal or provincial party or to a federal, provincial or municipal candidate,
- be a member of a federal or provincial party, and
- attend all-candidate meetings.

### **Political Activity Policy**

You will find more information about your political activity rights and restrictions in our *Political Activity Policy*.

Employees and appointees are reminded that neither the description in section 5 of the Code nor the description in our *Political Activity Policy* is a substitute for the provisions of the PSOA. For complete details about the political activity rules, refer to Part V of the PSOA.

## **6. Communicating outside the OSC**

### **6.1 Communicating with the media**

#### **(a) Employees**

You may not speak to the media about the OSC unless you are specifically authorized to do so.

Refer any inquiries from the media to Communications & Public Affairs staff (media\_inquiries@osc.gov.on.ca).

Any employee who deals with the media must follow our *Media Relations Policy*.

#### **(b) Board Directors**

If you intend to speak to the media about the OSC, you should notify the Chair in advance. Any Board Director who deals with the media must follow our Media Relations Policy.

#### **(c) Adjudicators**

If you intend to speak to the media about the OSC, you should notify the Chief Adjudicator in advance. You should also consult with the Governance and Tribunal Secretariat. Any adjudicator who deals with the media must follow our Media Relations Policy.

### **6.2 Public speaking engagements and publications**

If you are an appointee or an employee other than a member of the Executive Management Team or Senior Management Team, you may not teach, lecture, make presentations at a public forum or write about the OSC or about issues (not limited to adjudicative matters) that may come before the Commission or the Capital Markets Tribunal

- (a) unless your Manager gives prior approval, in the case of employees, the Chair gives prior approval in the case of Board Directors, or the Chief Adjudicator gives prior approval in the case of appointees. Part-time appointees should also consult with the Governance and Tribunal Secretariat. In all cases, Communications & Public Affairs (media\_inquiries@osc.gov.on.ca) should be notified, and
- (b) unless otherwise authorized by your Manager or the Chair, you indicate that the views being expressed are your own and do not necessarily represent the views of the Commission, the Board of Directors, the Chief Adjudicator, or staff.

## 7. Protecting and Use of OSC property

### 7.1 Overview

As a Crown corporation, we have an obligation to conduct our affairs and use our assets in a manner that is consistent with our core values and upholds our reputation.

### 7.2 Assets and property

You must take all reasonable steps to protect OSC assets and property from loss, theft, damage and misuse.

You are responsible for:

- protecting and conserving our property,
- using our property prudently and only for lawful business purposes, and
- returning all OSC property in your custody when you leave the OSC.

#### **Use of the Internet, Computers and Related Assets at the OSC**

You will find more information about your responsibilities relating to OSC property in our *Appropriate Use of OSC Information and Computing Resources at the OSC Policy* on the OSC Intranet under Code of Conduct.

### 7.3 Books and records

We must maintain accurate and reliable records to meet our legal and financial obligations and to properly manage our affairs. Our books and records must accurately and fairly reflect all of our business transactions.

If you are responsible for any public or Board documents, records and reports, you must make sure that they are accurate, complete, timely and understandable.

You may not:

- make any false or misleading entry in OSC's books and records,
- conceal or help conceal any funds or assets,

- approve or make any payment with the agreement or understanding that some or all of payment will be used for anything other than the purpose described in its supporting documents,
- use OSC funds or assets for any unlawful purpose, or
- influence the OSC's independent auditors into making our financial statements materially misleading.

### **Financial and administrative policies**

The OSC has various financial policies and procedures that address a broad range of activities, such as hiring consultants, buying office supplies and performing financial budgeting, reporting and analysis. You will find these policies on the OSC Intranet.

## **7.4 Expenses**

You may only be reimbursed for legitimate and reasonable expenses related to OSC business activities. You must ensure that these expenses are documented and approved according to our expense reimbursement policies.

### **Travel, Meal and Hospitality Expenses Policy**

You will find more information about which expenses qualify for reimbursement and how to claim your expenses in our *Travel, Meal and Hospitality Expenses Policy*.

## **8. Maintaining a safe and healthy workplace**

### **8.1 Overview**

The OSC is committed to the safety, health and well-being of our employees and appointees. We are committed to fairness in the workplace and make every reasonable effort to accommodate the needs of our employees, appointees and those who deal with us.

### **8.2 Dignity and respect**

We recognize the worth and contributions of all our employees and Members.

You are responsible for:

- making sure your conduct and language are appropriate for a business setting and
- treating others with dignity and respect.

### **8.3 No discrimination or harassment**

We value and encourage the diversity of our employees and appointees. We do not tolerate discrimination against any individual or group.

You have the right to work without discrimination and harassment as defined under the *Ontario Human Rights Code*, including on the basis of age, ancestry, citizenship, colour, creed, ethnic origin, family status, handicap, marital status, place of origin, race, sex or sexual orientation.

You have the right to work without discrimination and harassment based on other personal characteristics or circumstances that are clearly unrelated to your ability to perform your duties.

### **Respectful Workplace Policy**

You will find more information about your rights and our expectations in our Respectful Workplace Policy. It also outlines what to do if you believe that you have been subject to inappropriate treatment.

## **8.4 Providing services to people with disabilities**

We are committed to giving people with disabilities the same opportunity to access our services and allowing them to benefit from the same services, in the same place and in a similar way as other members of the public.

You are responsible for:

- carrying out your functions and responsibilities in a manner that takes into account a person's disability, and
- completing the initial and ongoing training as may be required from time to time under the *Accessibility for Ontarians with Disabilities Act, 2005* or under the OSC's *Accessibility Policy*.

### **Accessibility Policy**

You will find more information about our commitment to excellence in providing services to all members of the public, including people with disabilities, in our Accessibility Policy.

In addition, you will find information on the *Customer Service Standard*, *Accessible Recruitment*, *Multi Year Accessibility Plan* and tips sheets on inclusive hiring, accessibility speaking points for front-line staff and creating accessible documents on the OSC Intranet page "Accessibility at the OSC".

## **8.5 Safety and security**

We are committed to maintaining the highest standards for the safety and protection of our employees and appointees, as well as our physical property and our information.

You are responsible for conducting yourself and performing your duties without putting the safety and health of others at risk.

## Security/Safety and Emergency Procedures

You will find more information about our health and safety practices, your responsibilities and what to do if there is an accident or emergency in our Security/Safety and Emergency Procedures.

## 9. Reporting a conflict of interest

### 9.1 When to report

You are required to immediately notify your Ethics Executive in writing if you have an actual, apparent or potential conflict of interest under this Code, subject to the exception below.

### 9.2 Examples

The following are a few examples of when a report to your Ethics Executive is necessary:

- You receive a gift of more than nominal value from someone we regulate or do business with.
- You report to, or supervise the work of, a member of your family.
- You or a member of your family will benefit personally from a matter that you can influence through your duties with the OSC.
- Your previous employment or a previous relationship will influence your work on an assignment.
- You are involved in political activities that conflict with your duties at the OSC.

This list is not exhaustive. If you are in doubt about whether you have an actual, apparent or potential conflict of interest, consult your Ethics Executive.

### 9.3 Exception

There may be circumstances where an employee or an appointee has pre-identified a conflict of interest, and has taken steps to address the conflict. A report to your Ethics Executive under section 9.1 of the Code may not be required in such circumstances.

For example, you do not have to send a report to your Ethics Executive if:

- you have notified your manager or Director (if you are an employee) or the Governance and Tribunal Secretariat (if you are an appointee) of the actual, apparent or potential conflict of interest, and
- you have agreed not to be involved with, or you have removed yourself from, the file or matter.

### 9.4 Where to send your report

If you are required to notify your Ethics Executive under this section, complete a conflict of interest declaration form in the compliance system. You may also e-mail your conflict of interest report to [EthicsExecutive@osc.gov.on.ca](mailto:EthicsExecutive@osc.gov.on.ca) if the compliance

system is not accessible to you. This is a secure, confidential mailbox. You can also access this e-mail address through the OSC Address Book.

## **9.5 How your report is handled**

If you seek guidance from your Ethics Executive or report an actual, apparent or potential conflict of interest, your Ethics Executive must make a determination on the situation.

If your Ethics Executive determines that there is a conflict of interest, your Ethics Executive must give you direction on how to address the conflict. You must comply with any direction your Ethics Executive gives you.

## **10. Reporting a violation**

### **10.1 Overview**

We take violations of this Code and other types of wrongdoing very seriously, and review all reports of suspected violations.

If you know of or suspect a violation, report it, but do not conduct your own preliminary investigation. Investigations may involve complex legal issues, and acting on your own may compromise the integrity of an investigation and adversely affect you and the OSC.

We do not tolerate any form of retaliation against anyone who, in good faith, reports a suspected violation of this Code, questions whether a situation is a violation or asks for guidance on how to handle a suspected violation. It is a violation of this Code to suggest that anyone could face repercussions for reporting a suspected violation of this Code.

### **10.2 How to report a violation of this Code**

You should tell us immediately if you believe you have violated this Code, or know of or suspect someone of violating this Code.

If you are an employee, contact your Manager, your Director or your Human Resources representative. If you are an appointee, contact your Ethics Executive or the Director, Governance and Tribunal Secretariat.

If you are uncomfortable reporting a violation to any of the people noted above, or you prefer to remain anonymous, you can use the secure reporting system, Grant Thornton CARE (Confidential Anonymous Reporting for Employees) program. This system is offered and managed by Grant Thornton LLP, an external third-party service provider. Disclosure may be made to the Grant Thornton CARE reporting system through any of the following means:

- Online through the secure website at <https://www.GrantThorntonCARE.ca>
- By secure email at: [UseCARE@ca.gt.com](mailto:UseCARE@ca.gt.com)
- By telephone through toll-free number 1- 855-484-CARE (2273)
- By mail through the confidential post office box at:

CARE Program Grant Thornton LLP  
 200 King Street West, Box 11,  
 Toronto, Ontario M5H 3T4

You must act in good faith when you report a suspected violation of this Code. It is a violation of this Code for anyone to make an allegation of a violation of this Code that is false or in bad faith.

## 10.3 How to report a wrongdoing

In this Code, “wrongdoing” means:

- a contravention by an employee or appointee of any law or regulation,
- any act or omission of an employee or appointee that creates a grave danger to the life, health or safety of people or to the environment,
- gross mismanagement by an employee or appointee, such as a gross waste of money, abuse of authority or abuse of public assets, or
- directing or counselling an employee or appointee to commit a wrongdoing.

If you know of or suspect wrongdoing, you should report it immediately. If you are an employee, contact your Manager, your Director, your Human Resources representative or your Ethics Executive. If you are an appointee, contact your Ethics Executive or the Director, Governance and Tribunal Secretariat.

You can contact your Ethics Executive by e-mail at [EthicsExecutive@osc.gov.on.ca](mailto:EthicsExecutive@osc.gov.on.ca). This is a secure, confidential mailbox. You can also access this e-mail address through the OSC Address Book.

You may also make a report through the Grant Thornton CARE reporting system described in section 10.2 if you are uncomfortable reporting a violation to any of the people noted above, or you prefer to remain anonymous.

You can report a wrongdoing directly to the Integrity Commissioner of Ontario if:

- you believe that reporting the wrongdoing internally is not appropriate, or
- you have reported the wrongdoing internally and have concerns that the matter is not being dealt with appropriately.

If someone has reported an instance of wrongdoing to you, you must report it to your Ethics Executive.

The Ethics Executive has ultimate responsibility for dealing with reports of wrongdoing.

## **10.4 How we handle your report**

The information you provide will be promptly sent to the relevant individual at the OSC, depending on the nature and the origin of the concern. We treat all reports of possible violations of this Code and applicable laws and regulations in a confidential and sensitive manner.

Your identity will be known by the person who received your report and the people who review or investigate it if you choose not to remain anonymous. Your identity may only be shared outside this group if it is needed to ensure fairness and due process, or to conduct a competent investigation, or if we are required by law to do so. We will advise you if this is the case. We will investigate anonymous reports, but we will take the following factors into account:

- the seriousness of the issue,
- the credibility of the concern, and
- the likelihood of confirming the allegation from a reliable source.



## Appendix A – OSC Policies List

1. Accessibility Policy – Providing Services to People with Disabilities
2. Capital Markets Tribunal (CMT) Code of Conduct
3. Appropriate Use of OSC Information and Computing Resources Policy
4. Financial Policies and Procedures
5. Guidance for Staff on Invitations to Third Party Functions and Other Gifts
6. Guidelines to OSC Personal Trading Rules
7. Information and Records Management Policy
8. Media Relations Policy
9. Political Activity Policy
10. Procurement & Contract Management Policy
11. Respectful Workplace Policy
12. Security/Safety and Emergency Procedures Policy
13. Travel, Meal and Hospitality Expenses Policy

## Appendix B – Exempt Securities

You can trade the following securities (called “exempt securities”) at any time without pre-clearing them. You do not have to report these trades after you make them.

If you are not sure whether a security is an exempt security, ask the Compliance Office before you place your trade.

### Debt securities

- bonds, debentures, notes or other evidence of indebtedness issued by or guaranteed by the federal government, a provincial or territorial government or the government of a foreign jurisdiction,
- bonds, debentures, notes or other evidence of indebtedness issued by or guaranteed by Canadian municipalities,
- bonds, debentures, notes or other evidence of indebtedness issued by or guaranteed by a bank listed in Schedule I, II, or III of the *Bank Act* (Canada),
- fixed income notes maturing within 365 days

### Investment Funds

- A publicly-traded investment fund managed by an investment fund manager that is,
  - an open-end investment fund
  - a closed-end investment fund
  - a limited partnership pooled fund vehicle
  - a pooled fund, or
  - any other investment fund that represents an underlying basket of securities

Also exempt are any other securities that operate in a similar manner as investment funds.

### Index products

- exchange traded funds (ETFs) that are publicly traded
- index products or other products that replicate the composition of widely recognized broad market indexes of securities traded on a public exchange

### Money market instruments

- negotiable promissory notes maturing within 365 days that are not convertible or exchangeable into another type of security
- commercial paper maturing within 365 days that are not convertible or exchangeable into another type of security
- bankers’ acceptances
- money market funds

## Other

- securities of issuers that are not listed on a Canadian stock exchange and that are not primarily regulated by Canadian jurisdictions
- crypto contracts (as defined in CSA Staff Notice 21-329 *Guidance for Crypto-Asset Trading Platforms: Compliance with Regulatory Requirements*) traded on a platform registered with the OSC
- guaranteed investment certificates (GICs)
- group registered education savings plans
- securities evidencing indebtedness secured by a mortgage or charge on real or personal property in Canada
- securities evidencing indebtedness secured by personal property in accordance with personal property security legislation
- securities received under dividend or distribution reinvestment plans
- foreign currency
- hedge funds
- securities of a private company (as defined in the *Securities Act*)
- capital calls on private equity funds
- commodities
- securities that are derivatives derived from exempt securities
- securities bought under an automatic share purchase plan or similar kind of automatic share ownership plan, provided you pre-clear plan with the Compliance Office by providing the following information prior to setting up the plan and before making any changes :
  - the details of the plan, including the security, the quantity or amount, and the frequency of the automatic transactions
  - when you start and stop participating in the plan
  - when you make any changes to the details of the plan and what those changes are (**note**: any addition or removal of securities from the plan would require prior approval from the Compliance Office and if such approval is denied, the order must remain active)
- any other security that the Commission may designate as an “exempt security” for the purposes of this Code