

**INSTITUTE OF CORPORATE DIRECTORS**

**CODE OF BUSINESS CONDUCT AND ETHICS**

**Approved by the Board of Directors on September 20, 2012**

# INSTITUTE OF CORPORATE DIRECTORS

## CODE OF BUSINESS CONDUCT AND ETHICS

The board of directors (the “**Board**”) of the Institute of Corporate Directors (the “**ICD**”) has developed and adopted this Code of Business Conduct and Ethics (the “**Code**”) based on the ICD’s values, and the laws, regulations and rules that apply to the ICD and its activities. It reinforces the ICD’s belief in conducting the business and affairs of the ICD to the highest standards.

This Code and the standards and procedures contained herein, are designed to promote:

- honest and ethical conduct, integrity in all dealings and compliance with the law;
- the avoidance of actual or perceived conflicts of interest or, in cases where avoidance is not possible, the appropriate disclosure and the ethical handling of that actual or perceived conflict;
- prompt reporting of any known or reasonably suspected violations of this Code; and
- accountability for adherence to this Code.

This Code applies to all directors, officers, employees and volunteers of the ICD and of every Chapter of the ICD. The ICD and its Chapters are referred to collectively as the ICD and each director, officer, employee and volunteer of the ICD is referred to as a Covered Person. The ICD will attempt to ensure that this Code is brought to the attention of all Covered Persons.

**Each Covered Person is responsible for understanding and adhering to this Code and acting in a manner which will result in compliance with this Code, including co-operating in any investigation of misconduct. Adherence to this Code and acting in a manner which will result in compliance with this Code is a strict condition of continued employment or association with the ICD.** It is not an excuse for non-adherence that the non-adherence was directed or requested by any other person.

This Code is absolute in principle, but it cannot cover every situation which may arise involving an ethical question or decision. Each Covered Person should constantly ensure that his or her conduct is compliant with the principles and the details of this Code. In any situation where there is doubt, the Covered Person should discuss the situation with colleagues or even a director until such Covered Person is satisfied that the relevant facts are known and have been considered and that the conduct chosen to be followed in that situation is the conduct prescribed by this Code.

This Code is in addition to the ICD’s other policies and codes of business conduct, including its Whistleblower Policy, Workplace Harassment Policy and ICD Members Code of Conduct. Covered Persons should also become familiar with and scrupulously adhere to those policies and codes.

## **Honest and Ethical Conduct**

1. Each Covered Person owes a duty to the ICD to act at all times ethically and with the highest degree of honesty and integrity. Competitive advantage or profit must not be sought through unlawful, dishonest or unethical business practices.

## **Conflict of Interest**

2. (a) Each Covered Person must be scrupulous in always seeking to avoid any actual, potential or perceived conflict of interest. A conflict of interest occurs or may occur in any situation where a Covered Person has, or may have, a personal or professional interest, direct or indirect, different from, additional to or beyond solely the interests of the ICD.  
  
(b) A conflict situation can arise when a director, officer, employee or volunteer takes actions or has interests that may make it difficult to perform his or her ICD work objectively. Due to the variety of situations which could give rise to an actual, potential or perceived conflict of interest, every Covered Person should always consider whether any actual, potential or perceived conflict exists or may exist.  
  
(c) No gift, entertainment or personal benefit or opportunity should ever be offered, accepted or permitted by a Covered Person in a commercial context or by virtue of the Covered Person's position or office with the ICD, unless it (i) is consistent with customary business practices, (ii) is not excessive in value, (iii) cannot reasonably be construed as an inducement, and (iv) does not violate any laws or regulations. In any event, and for greater certainty, the offer, acceptance or permitting of cash gifts by any Covered Person is prohibited.  
  
(d) Each Covered Person must immediately advise the Chair of the ICD's Governance and Human Resources Committee in writing of any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest, and will not take any action to proceed with that transaction or relationship unless and until that action has been approved by the Governance and Human Resources Committee. The declaration of any interest shall be included in the minutes of the Governance and Human Resources Committee.

## **Protection of Corporate Assets**

3. (a) Each Covered Person must act in a manner which protects the ICD's reputation, assets and resources and ensures their responsible and efficient use. All assets and resources of the ICD must be used for legitimate business purposes (incidental non-material personal use is considered a legitimate business purpose).  
  
(b) The obligation to protect the ICD's assets includes proprietary information. Proprietary information includes, without limitation, intellectual property such as trademarks and copyrights, and business marketing and service plans. Unauthorized use or distribution of this information is a violation of this Code. It may also be illegal and may result in civil or criminal penalties.

### **Confidentiality of Corporate Information**

4. (a) Each Covered Person must maintain the confidentiality of all non-public information relating to the ICD, or provided by others to the ICD (including by its members), except when disclosure is properly authorized or legally required. The obligation to preserve the confidentiality of non-public information continues even after directors, officers, employees or volunteers cease to be directors or to otherwise be involved in ICD activities.
- (b) If a guest is present at a Board or Board committee meeting, the Chair of the Board or Board committee shall indicate at the outset whether the proceedings are to remain confidential.

### **Fair Dealing**

5. Each Covered Person must deal honestly, ethically, fairly and in good faith with the members, employees, volunteers and Chapters of the ICD and as well with all persons and entities having business dealings with the ICD. In particular, no Covered Person shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

### **Protection and Proper Use of Corporate Opportunities**

6. Each Covered Person is prohibited from taking for himself or herself personally, or directing to anyone else, opportunities that are discovered or available by virtue of the Covered Person's position with the ICD or through the use of the ICD's property or information. No Covered Person will use the ICD's property or information or the Covered Person's position with the ICD for his or her own, or anyone else's, personal gain, or will compete directly or indirectly in any manner with the ICD. Each Covered Person owes a duty to the ICD to advance the ICD's legitimate interests when the opportunity to do so arises.

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

7. In conducting the business of the ICD or otherwise acting as a director, officer, employee or volunteer of the ICD, every Covered Person will comply with all applicable laws, rules and regulations in every jurisdiction in which the ICD conducts business. Each Covered Person will acquire sufficient knowledge of the legal requirements relating to his or her duties so as to be able to carry out those duties in a legally permissible manner and to recognize when to seek advice on the applicable legal requirements from others with greater expertise.

### **Reporting of Non-Compliance with the Code**

8. (a) Each Covered Person will promptly report any non-compliance by any person of this Code which becomes known to or is reasonably suspected by that Covered Person, in accordance with the ICD's Whistleblower Policy. Inappropriate delay in reporting a

known or reasonably suspected non-compliance in itself constitutes non-compliance with this Code.

(b) The ICD assures every Covered Person that it will not carry out or, to the fullest extent reasonably within its power, permit any retribution or retaliation of any kind for reports made in good faith regarding known or reasonably suspected non-compliance with this Code. The ability of a Covered Person to make reports without fear of retribution or retaliation is vital to the successful implementation of this Code.

### **Accountability and Compliance**

9. The Governance and Human Resources Committee is responsible for monitoring compliance with this Code. Each Covered Person will be held accountable for adherence to this Code. Officers, employees and volunteers who fail to comply with this Code will be subject to disciplinary action, including potential termination of employment or association with the ICD, depending on the particular circumstances. Any non-compliance with this Code by a director will be handled as appropriate in the circumstances.