

WATERFRONT TORONTO

CODE OF CONDUCT AND CONFLICT OF INTEREST PROCEDURES FOR EMPLOYEES

1. DEFINITIONS

For the purpose of this Code and for greater certainty:

- a) The “Chief Executive Officer” is the senior employee responsible for the management and operation of the Corporation, or his or her designee.
- b) “Confidential Information” is information that is not available to the general public and includes inside information provided by an external source with the expectation that the information will be kept confidential and will be used solely for the business purposes for which it was conveyed. It also includes materials generated by the Corporation that contain or are derived from such Confidential Information. When in doubt, Employees should confirm with the Chief Executive Officer whether information is to be treated as confidential.
- c) The “Corporation” is the Toronto Waterfront Revitalization Corporation.
- d) “Employees” includes senior management personnel.
- e) Information is “non-public” if it has not been effectively disseminated to the general public. Examples of public dissemination include a press release carried over a major news service, an article in a major news publication, and a public filing made with a regulatory agency. It is important to note that even following a public announcement of a major transaction, many aspects of the matter may remain non-public.
- f) A “Material Interest” is not restricted to a minimum 10% investment threshold often used in securities legislation. The conflict of interest test does not lend itself to such clear quantitative measures. The relevant question is: would a reasonable, well-informed person conclude that a person’s interest in another entity or organization could affect the person’s exercise of a power or performance of a duty on behalf of the Corporation.
- g) “Social Networking Media” Social media includes the various online technology tools that enable people to communicate easily via the internet to share information, opinions and resources. Social media can include text, audio, video, images, podcasts, and other multimedia communications. Examples include but are not limited to blogs, Twitter, Facebook, My Space, LinkedIn, YouTube, video or wiki postings chat rooms or other forms of online journals, diaries or personal newsletters.

2. GUIDING PRINCIPLES

- a) It is critically important that TWRC preserve public confidence, trust and accountability because of its public mandate. Accordingly, TWRC expects that it, and all persons dealing with TWRC in any manner, will conduct themselves in accordance with principles of fair and honest dealings and in the absence of actual or perceived conflicts of interest. The Code sets out the standards of behaviour which will assist TWRC and its Directors in meeting these expectations. TWRC officers, employees and Contractors are also expected to comply with the standards of behaviour described in their code of conduct and conflict of interest procedures in order to meet these expectations.
- b) The Code is not intended to conflict with the standards of behaviour set by the Government of Canada, the Province of Ontario or the City of Toronto. The principles set forth in the Code are to be regarded as illustrative and are not exhaustive. Directors are expected to meet both the letter and the spirit of the Code.
- c) TWRC stakeholders are entitled to expect that the business and interests of TWRC will be conducted with efficiency, economy, fairness, impartiality and integrity.
- d) You should understand that breach of the Code will be treated very seriously. For those who breach it, sanctions by the Board and/or body for which you are a representative, may be in the form of reprimand, suspension, dismissal or other legal action.

3. CODE OF CONDUCT

The Code of Conduct of the Corporation forms part of the overall policy framework that governs the Corporation's business operations. It sets out the standards of behaviour which the Corporation requires its officers and employees to meet. Because of the Corporation's public mandate, it is critically important that it preserve public confidence, trust and accountability.

This code is not intended to conflict with the standards of behaviour set by the Governments of Canada, the Province of Ontario and the City of Toronto. The principles set forth in this Code of Conduct are to be regarded as illustrative – they are not exhaustive. Employees are expected to meet both the letter and the spirit of this Code.

Our stakeholders are entitled to expect that the business and interests of the Corporation will be conducted with efficiency, economy, fairness, impartiality and integrity.

Because of the importance that the Corporation attaches to this Code, as employees you should understand that breach of the Code will be treated very seriously. Sanctions for those who breach it may range from reprimand or suspension all the way to dismissal and further legal remedies.

3.1 **Ethical Decision Making**

As a guide to their everyday conduct and decision-making, all parties should consider the following questions:

- a) Is the decision or conduct legal? In addition, is it consistent with the Corporation's mandate and policies? Is it ethical?
- b) Is the decision or conduct in line with the Corporation's public objectives and mission?
- c) Is there a conflict of interest that should be disclosed? Where parties are uncertain whether a conflict exists, they should err on the side of disclosure.

3.2 **Honesty and Integrity**

The fundamental relationship between each Employee and the Corporation must be one of trust. We expect you to observe the highest business and ethical standards. Essential to trust is a commitment to honesty, openness and integrity.

3.3 **Compliance with the law**

- a) Employees shall comply with all applicable laws.
- b) Employees shall not engage in any illegal or improper conduct. Employees shall carry out the Corporation's contract policies in a manner that does not impair (or appear to impair) their ability to act impartially in the best interests of the Corporation.
- c) No Employee shall commit or condone an illegal act or instruct or encourage another employee or party involved with the Corporation to do so.
- d) No Employee shall create or participate in the creation of a false or misleading record.

3.4 **Confidential Information**

- a) Confidential Information includes policy, proprietary, technical, business, financial, joint venture and other information, which the Corporation treats as confidential or which is not made available publicly. Employees who leave the Corporation must not disclose Confidential Information.
- b) Employees shall at all times maintain the confidentiality of all information and records connected with the business of the Corporation and shall not reveal such information unless and until it becomes a matter of general public knowledge.

- c) Employees shall not use Confidential Information obtained by virtue of their employment with the Corporation for their personal benefit, or to benefit friends, relatives and others.
- d) Employees using the Corporation's electronic mail system shall comply with the Corporation's policy on the storage, use and transmission of information through this medium.

3.5 Entertainment, Gifts and Favours

- a) All those who do business with the Corporation as contractors or service providers (including consultants, suppliers, advisors and independent managers) have access to the Corporation on equal terms.
- b) Employees shall not solicit or accept benefits, entertainment or gifts of any kind (including cash, preferred pricing, preferred loans, securities or secret commissions) or any other direct or indirect benefit as a condition of the exercise of their duties or as an inducement for performing an act associated with their duties or in exchange for preferential treatment.
- c) Employees may accept modest gifts, hospitality or other benefits associated with the Employee's official duties and responsibilities if such gifts, hospitality or other benefits:
 - i. are within the bounds of propriety, a normal expression of courtesy or are within the normal standards of hospitality;
 - ii. would not bring suspicion on the Employee's objectivity and impartiality; and
 - iii. would not compromise the integrity of the Corporation.
- d) Entertainment and similar things (such as business lunches, the exchange of modest items between business associates, the presentation of small tokens of appreciation at public functions or an inexpensive memento) should be reasonable and never lead to a sense of obligation. As a rough guide, Employees should not accept any entertainment that could not be justified on the Corporation's expense statement if the Employee were providing or offering such entertainment rather than receiving it.
- e) Unless they have obtained the approval of the Chief Executive Officer, Employees may not accept free airfare or accommodation from any firm or organization associated with the Corporation or from any provider of goods or professional or other services to the Corporation.
- f) Inappropriate gifts that are received by an Employee should be returned to the donor together with a letter making reference to this Code.

- g) Any Employee experiencing or witnessing conduct contravening or not in compliance with the letter and spirit of this Code, or having reasonable grounds for believing that such conduct has occurred, must immediately report the incident to their reporting manager, the Chief Financial Officer or the Chief Executive Officer.
- h) In any instance where there is doubt whether particular conduct complies with this Code, full and immediate disclosure to the Chief Financial Officer or the Chief Executive Officer will indicate good-faith compliance with the Code.

3.6 Non-Profit and Professional Associations

- a) From time to time, individual Employees reach positions of leadership in other entities or organizations where they may be viewed as spokespersons for such groups. In such situations, the individuals should ensure that they are seen as speaking for their organization or as individuals, and not as a spokesperson of the Corporation.
- b) Employees who are members of non-profit associations should refrain from internal solicitation and the solicitation of those contracting or otherwise involved with the Corporation for donations of funds, goods or services.
- c) An Employee must receive the approval of the Chief Executive Officer, before accepting any appointments as a director or to any other position of authority in a non-profit or professional association that might place him or her in a position of conflict with the Corporation.

3.7 Use of the Corporation's Assets

The Corporation makes a substantial investment in physical, electronic and staff resources. Without the prior approval of the Director, Human Resources or the Chief Financial Officer, the use of such resources for non-business purposes shall be modest and reasonable in the circumstances, and shall not in any way threaten or harm the reputation of the Corporation.

3.8 Social Media

The Corporation takes no position on an individual's personal use of social networking media ("SNM") such as blogs, Twitter, Facebook, My Space, LinkedIn, YouTube, etc, on their own time except to the extent, if any, that the use involves the Corporation in some way. The Corporation is committed to protecting the privacy of its employees in relation to their work and the Corporation's interest in its proprietary information, intellectual property and reputation.

The Corporation respects the right of employees to use SNM for freedom of expression consistent with the law. However to ensure that the Corporation's reputation and interests are not impacted by individual behaviours and to ensure that employees remain in compliance with other policies of the Corporation, employees are expected to use SNM responsibly and reasonably and to adhere to the following:

- a) Activity by employees on SNM during core business hours is permitted if there is a specific business requirement for such activity and authorized by the Corporation. Personal activity by employees on SNM is also permitted as long as it does not impact the employees' productivity.
- b) Only authorized employees can prepare and modify content for the Corporation's social media sites. Authorized employees must identify themselves as employees of the Corporation when posting comments or responses on one of the Corporation's SNM sites.
- c) Employees may not post on their personal SNM sites, any material owned by the Corporation, protected by copyright, trademark law or other intellectual property right.
- d) Employees must respect the Corporation's strong interest in protecting its reputation, proprietary information and intellectual property, including confidential information regarding other employees. Thus when employees are using SNM, and referring to the Corporation, any commentary should be under the auspices of enhancing or protecting the Corporation and not use derogatory remarks.
- e) Notwithstanding the above, if an employee mentions the Corporation or identifies themselves as an employee of the Corporation on a personal SNM site, he/she will be required to include a disclaimer stating that any opinions expressed are the employee's own and not those of the Corporation.
- f) In addition to such other remedies as may be required (including disciplinary steps), the Corporation reserves the right to require employees to remove any content from SNM sites and may also take any additional steps necessary to have such content removed.

4 CONTACT WITH THE MEDIA

4.1 Discussion with Media

- a) No Employee, other than one specifically authorized to do so, should discuss any matter or activity of the Corporation with the media without first consulting the Chief Administrative Officer and the Director, Marketing and Communications. Presentations to other groups at seminars, conferences, and similar occasions are permitted.
- b) Information on individual contracts, contract policies or procedures will not be given to the media or any other third party inquirer without the authority of an officer of the Corporation.
- c) Price and other details will not be revealed in a way that enables the information to be seen as applying to an offer from a particular company or organization.

4.2 Contractual Information

An employee shall not divulge information regarding a contract unless:

- a) prior authorization for its release has been given by senior management.

4.3 Competitive Information

An employee shall not divulge any information which could impair the negotiating position of the Corporation or which could benefit the competitive position of one contractor at the expense of another.

5 CONFLICT OF INTEREST PROCEDURES

5.1 Conflict of Interest

“Conflict of Interest” means,

- a) a direct or indirect personal or pecuniary interest in a contract involving the Corporation;
- b) an influence that is likely to negatively affect the advice or services that a person is providing to the Corporation;
- c) any personal or pecuniary interest, condition, connection, relationship, activity or circumstances as a result of which an Employee is unable or potentially unable to provide an impartial and objective decision, recommendation or assessment of facts in any circumstance; or
- d) any other circumstances in which a person’s individual interest conflict with that person’s duties to the Corporation.

5.2 Full Disclosure

Employees are responsible for taking such action as is appropriate to prevent real, potential or apparent conflicts of interest when contracting for goods or services. Employees are required to make full disclosure in writing to the Corporation of their personal (or corporate) interest, connection or relationship:

- a) as parties to contracts or proposed contracts with the Corporation;
- b) as directors or officers of entities or organizations that are parties to contracts or proposed contracts with the Corporation;
- c) if they hold a Material Interest in any entities or organizations that are parties to contracts or proposed contracts with the Corporation; or

- d) with any party when it is likely that they could be influenced, or could be perceived to be influenced by such personal (or corporate) interest, connection or relationship in carrying out their duties for the Corporation.

5.3 Conflict of Interest Situations

Conflict of Interest situations occur, for instance, if, without the written consent of the Chief Executive Officer:

- a) an Employee or a member of the Employee's household, or a corporation, trust, entity or other organization in which the Employee is involved as a director, trustee or manager or over which the Employee exerts influence, has, whether directly or indirectly, a significant financial interest in, or obligation to,
 - i) a contractor with the Corporation (other than a contractor with an existing relationship with the Corporation at the time of the employment of such Employee), or
 - ii) a party seeking to establish a contractor relationship with the Corporation;
- b) an Employee conducts business on behalf of the Corporation with a contractor of which a relative of the Employee by blood or marriage is a principal officer or representative;
- c) an Employee or a member of the Employee's household, or a trust in which the Employee has a legal or equitable interest or over which the Employee exerts influence, accepts gifts of more than token or nominal value from an actual or potential contractor of the Corporation;
- d) an Employee has a personal (or corporate) interest, connection or relationship with a third party which is likely to cause influence, or could be perceived to influence the Employee's conduct in carrying out his or her duties for the Corporation; or
- e) an Employee uses information obtained in the course of his or her employment with the Corporation for purposes inconsistent with the best interest of the Corporation.

These situations are not exhaustive.

5.4 Material Effect

If, in the opinion of the Chief Executive Officer, a conflict may exist in principle but would not as a practical matter have any material effect on the Corporation, the Chief Executive Officer may, in writing, permit such conditions to continue. Any such permission must be disclosed at the next meeting of the Governance Committee.

5.5 Conflict with Corporation

An Employee engaging in any other business activity directly or indirectly affecting the activities of the Corporation or which is in competition with the Corporation or which in any other manner may be construed as being in conflict with the Corporation's interests, must make full disclosure of such activity to the Chief Executive Officer who may rule on the conflict and may either require the termination of the activity or consent to it in writing. Any such decision must be disclosed at the next meeting of the Governance Committee.

5.6 Disciplinary Actions

An Employee who fails to disclose a conflict of interest may be subject to disciplinary action up to and including dismissal, and further legal remedies.

5.7 Suspected Conflicts of Interest

All suspected conflicts of interest will be investigated and resolved.

5.8 No Benefit

An Employee shall not, without the written consent of the Chief Executive Officer engage in, or accept appointment as a director of or to any other position of authority in any organization or association that might benefit from the policies of the Corporation or be engaged, or expected to become engaged, in any activity which is, or reasonably appears to be, in conflict with any activity of the Corporation.

5.9 Use of Information

No Employee shall use information obtained as a result of his or her employment with the Corporation for personal profit or as the basis for giving advice or suggestions to others unless the information has been made generally available to the public. This restriction will apply for one year after an Employee ceases employment with the Corporation.

5.10 Participation in Meetings

Employees will refrain from participating in any decision and will absent themselves from any meeting involving a discussion to approve any proposed contractor where the Employee has any relationship with or financial interest in such contractor or where a member of the Employee's household is a director or employee of such contractor.

5.11 Fraud or Management

If any employee believes that he or she has become aware of a situation which involves or may involve fraud or mismanagement, such person is expected to communicate that situation to the Chief Financial Officer or the Chief Executive Officer.

6. RESPONSIBILITY

Each Employee must adhere to the standards described in this Code and to the standards set out in the Corporation's policies, guidelines and any applicable legislation.

6.1 Review of Code

To demonstrate its determination and commitment to ethical business practices, the Corporation asks each Employee to review the Code annually. Employees must take the opportunity to discuss with their immediate supervisor or the Chief Executive Officer or his or her designee for this purpose any circumstances that may have arisen which could be an actual or potential violation of the standards of conduct described in this Code.

6.2 Reporting

Integrity, honesty and trust are essential elements of the business success of the Corporation. Any Employee who knows or suspects the existence of a conflict of interest, fraud or theft from the Corporation shall report it to the Chief Financial Officer or the Chief Executive Officer for this purpose.

7. WHERE TO SEEK CLARIFICATION

An Employee who requires advice on a particular matter or suspects improper activities should seek clarification from his or her immediate supervisor, the Chief Financial Officer or the Chief Executive Officer or his designee.

8. ACKNOWLEDGEMENT

Each Employee shall file annually a signed, written certificate, affirming that the Employee has read, understood and complied with this Code, as follows:

I ACKNOWLEDGE that I have read and considered the Code of Conduct for Employees of the Corporation and I agree to conduct myself in accordance with the Code as it applies to me.

I undertake to affirm in writing, at least annually during the term of my employment, that I have a read, understood and complied with the most recent version of the Code of Conduct for Employees.

Signature

Printed Name

Date