



**CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION
BOARD OF DIRECTORS' CODE OF ETHICS POLICY 2021-002**

POLICY:

The purpose of this Code of Ethics is to advise all Directors of their obligation to conduct themselves and to direct the affairs of the Commission in accordance with the highest standards of ethical behavior, and to maintain and enhance public confidence in the leadership of the Commission.

Definitions:

"Agent" means any contractor, consultant, employee or other agent that may be engaged or hired by the Board for any purpose whatsoever.

"Board" means the Board of Directors of the Capital Region Northeast Water Services Commission.

"Commission" means the Capital Region Northeast Water Services Commission.

"Director" means a member of the Board of Directors for the Capital Region Northeast Water Services Commission.

General Policy:

The affairs of the Commission must at all times be conducted in accordance with the highest standards of business ethics and in compliance with all applicable laws so that the Commission can establish and maintain a reputation for integrity and fair dealing.

A high standard of ethical conduct is the personal responsibility of each Director. All Directors must be fair and honest in their dealings with stakeholders and the general public. All persons are to be treated with dignity and respect, and harassment or discrimination will not be tolerated. Directors should perform their duties faithfully, fairly, courteously, to the best of their abilities, and with undivided loyalty to the Commission. Conflicts of interest and the appearance of impropriety should be avoided. Directors must never use their position with the Commission, or the assets of the Commission, for personal profit or advantage or in a fashion contrary to the interests of the Commission. Directors should respect and protect all Commission property, including its intellectual property and confidential business information.

ETHICAL PRINCIPLES

This Code of Ethics embodies principles to which Directors are expected to adhere and advocate. Without limiting all of the Directors' obligations, each Director shall:

1. Comply with the laws, rules and regulations of federal, provincial and local governments, and other appropriate private and public regulatory agencies;
2. Act with honesty and integrity, avoiding actual or apparent bias or conflicts of interest;
3. Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing one's independent judgment to be affected;
4. Adequately prepare for and attend Board meetings whenever reasonably possible;
5. Fully and meaningfully participate in Board discussions and deliberations;
6. Consider, respect, and value the opinions and perspectives of other Directors; and
7. Make educated, informed, and timely decisions.

GUIDELINES

Fiduciary Duty

The term "fiduciary duty" refers to the legal obligation of one party to safeguard and pursue solely the interests of another party. Directors owe a fiduciary duty to the Commission.

Conflicts of Interest

Directors should avoid all situations, and not engage in transactions, in which their personal interests may conflict with the interests of the Commission. Conflicts of interest arise when an individual's position or responsibilities with the Commission present an opportunity for personal gain. They also arise when a Director's personal interests are inconsistent with those of the Commission and create conflicting loyalties. Such conflicting loyalties may cause a Director to compromise his or her principles and/or responsibilities to the Commission for personal gain.

It is the responsibility of each Director to declare in writing to the Board those private interests and relationships that they think could be seen to impact the decisions and actions they take on behalf of the Commission.

Dealings with Stakeholders

Directors should deal with stakeholders with honesty, openness, and transparency.

Gifts and gratuities are not to be accepted by Directors. Exceptions will be made for the normal exchange of gifts between friends or business colleagues, or where token gifts are exchanged as part of a protocol or presentation.

In general, all prospective Agents should be properly screened before being retained by the Board. All agreements with Agents must be in writing and must clearly and accurately describe the services to be performed for the Board and the amount or rate of commissions or fees to be

paid by the Board. Any compensation paid to Agents must be reasonable and customary for the work performed.

Confidentiality

As part of the work of the Commission, Directors will become aware of confidential information. Directors will not knowingly take advantage or benefit from information that is obtained in the course of their official duties and responsibilities that is not generally available to the public.

Board meetings are generally public unless a topic or topics covered falls under any one of the exceptions to disclosure in Division 2 of Part 1 of the Freedom of Information and Protection of Privacy Act ("FOIP"). Information disclosed during a meeting or portion of a meeting held "closed session" shall be considered confidential and should not be disclosed by Directors to any third parties or to the public.

Further, in the course of their duties, Directors may also become privy to confidential information received outside of an "closed session" meeting. Confidential information includes information in the possession of, or received in confidence by, the Board that the Board is prohibited from disclosing pursuant to legislation, court order or by contract, or is required to refuse to disclose under FOIP or any other legislation, or any other information that pertains to the business of the Commission, and is generally considered to be of a confidential nature, included but not limited to information concerning:

- a.) the security of the property of the Commission;
- b.) a proposed or pending acquisition or disposition of land or other property;
- c.) contract negotiations;
- d.) employment and labor relations;
- e.) draft documents and legal instruments, including reports, policies, bylaws and resolutions, that have not been the subject matter of deliberation in a meeting open to the public;
- f.) law enforcement matters;
- g.) litigation or potential litigation, including matters before administrative tribunals;
- h.) advise that is subject to solicitor-client privilege.

In all cases, Directors must not:

- a.) disclose or release by any means to a member of the public, including the media, any confidential information acquired by virtue of their office, unless the disclosure is required by law or authorized by the Board to do so, or
- b.) use confidential information for personal benefit or for the benefit of any other individual or organization.

As well, Directors should refrain from speaking to any third parties on behalf of the Board, unless granted the express authority to do so by the Board.

VIOLATIONS

Reporting a Potential Violation

Directors should immediately report in writing any suspected violation of this Code to the Board. When the report of a potential breach is made in good faith and with reasonable grounds, the Director making the report will be protected for retaliation for such reporting.

Responding to a Potential Violation

Each report of a suspected violation of this Code will be thoroughly investigated by the Board or a committee as set by the Board. The Director accused of the violation will have the right to access complete information and the right to respond fully to the allegation. The Board will make a decision on whether there has been a violation of this Code of Ethics in a timely manner.

Consequences of a Violation

If the Board determines that a Director has engaged in unethical conduct in contravention of this Code of Ethics, such Director may be removed from the Board by resolution passed by two thirds (2/3) of the Directors. In addition, violations of some standards may require restitution and/or may lead to civil or criminal legal action.

AFFIRMATION

This Code of Ethics was approved by the Board on September 27, 2021 and is reaffirmed annually to ensure it remains current and relevant. "

Date Approved: September 27, 2021.

Resolution # 2021.09.27.06

Next Review Date: September 2022