



BDC Code of Conduct, Ethics and Values

July 29, 2019



TITLE BDC CODE OF CONDUCT, ETHICS AND VALUES

APPROVED BY Board of Directors

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1. Introduction

1.1 Objective and Scope

As a federal Crown corporation, the Business Development Bank of Canada (BDC) operates within a framework of laws and regulations. We are also guided by BDC Policies, directives, procedures and business rules, which include the Code, and are all posted on BDC Zone.

In the spirit of upholding the highest standards of ethics valued by BDC, the Code brings together information on compliance requirements and the principles of ethical conduct that underlay BDC’s business. The Code is intended to help us clearly understand what is expected of us and to apply these principles in everything we do. The terms “We”, “Us”, “Our” collectively designate all BDC Employees, Consultants and Suppliers, and are intended to indicate that compliance with the Code is both a personal and a collective responsibility.

The Code is available on BDC's intranet and website (www.bdc.ca) under the Governance tab.

The Code broadly addresses a variety of ethical and legal concerns that many of us may face from time to time. It is established to guide our judgement and help us better understand the ethical demands and constraints related to our work. The Code contains information related to key principles of ethical conduct, disclosure of information on wrongdoing and administration of the Code.

1.2 To Whom the Code Applies

Employees...	Consultants and Suppliers...
at every level of BDC are subject to the Code.	as defined in the Code, including their representatives and employees, are required to conduct themselves in a manner consistent with the Code.
	Consultants or Suppliers who have doubts about any aspects of the Code or the application of any BDC policy must refer to a BDC leader who will conduct the necessary investigation and advise, as applicable.

The Code also addresses the relationship between BDC and its Clients, Influencers, partners, Suppliers, mandataries, shareholders and other business contacts with whom BDC interacts or contracts. BDC will not knowingly enter into or maintain a relationship with a person or organization that does not maintain the standards of business conduct and ethics that are reflected in the Code.



1.3 Compliance with the Code

We must read, know, understand and comply with the content of the Code, and the BDC Policies that affect our work.

Dishonest or unethical conduct or conduct that is illegal constitutes a breach of the Code regardless of whether the Code specifically addresses such conduct.

Employees who fail to meet the standards set out in the Code will be subject to possible review of their actions, or lack thereof, as well as corrective and/or disciplinary action up to and including immediate dismissal.

With regard to a Consultant and Supplier, failure to act in a manner consistent with the Code may result in termination of the business relationship.

The Board oversees compliance with the Code and relies on the Chief Human Resources Officer to monitor and provide regular reports.

No code of conduct can cover all of the circumstances that we may encounter. BDC expects us to apply not only the letter of the Code but also its spirit and principles.

1.4 Leaders' Roles and Responsibilities

Ensure that all of your team members, Consultants and Suppliers read, understand and comply with the Code, complete the annual renewal process and know to report changes at any given time.

Ensure that all required authorizations are sought and documented.

Personally handle or escalate issues appropriately.

Demonstrate accountability and take into consideration all points of view.

Ensure that sensitive issues and concerns are handled with respect and confidentiality. On a regular basis, make time to discuss the importance of ethics with their teams.

Initiate discussions about the Code at every opportunity.

1.5 Public Sector's Code

As a federal Crown corporation, BDC is also committed to the values and adheres to the expected behaviour of the [Values and Ethics Code for the Public Sector](#). For Employees, the *Values and Ethics Code for the Public Sector* is incorporated in and must be read in conjunction with the present Code. It may be consulted [on the Treasury Board of Canada Secretariat](#).



2. BDC's Core Values

A strong foundation for ethical conduct is provided by BDC's five core values:



3. Principles of Ethical Conduct

BDC's principles of ethical conduct include **honesty, integrity, loyalty and compliance with the law**. We uphold these principles and abide by the highest standards of ethics. We also make decisions that are in the best interest of BDC and its shareholders in accordance with the Code.

The following principles of ethical conduct are not exhaustive. They cover minimum standards and common business situations in which ethical or legal concerns arise. We must therefore understand and comply with the spirit of professional integrity that underlies these standards.

3.1 Compliance with Laws and Policies

In conducting the business of BDC, we must comply in all matters with all applicable laws, rules, regulations and practices in jurisdictions where BDC operates, as well as with BDC's by-laws. Obligations emanating from these laws and regulations are translated into Policies, Directives and Procedures and business rules which are embedded in this Code. Everybody is required to read, understand and comply with these documents, which can be consulted on BDC's intranet or obtained from a leader.

BDC will not engage in any activities that are illegal and does not permit us to do so on its behalf.



3.2 Protecting BDC's Brand and Reputation

BDC is committed to respecting the **Reputational Risk Management Directive**. BDC's reputation is at the core of its success and must be protected continuously. It has been built over the years and depends upon our shared commitment to BDC's principles of ethical conduct.

While performing our duties, as well as outside our regular hours, we must always conduct ourselves in ways that enhance BDC's reputation and help BDC earn and keep the trust of entrepreneurs and the general public, as well as lead them to develop a favourable opinion of BDC.

The Marketing and Communications team is responsible for overseeing the development of strategies for managing reputational risks and building our brand's image.

If you identify a situation likely to impact BDC's brand and reputation, or that may lead to an erosion of trust in BDC, you must flag it immediately to the Marketing and Communications team at 1-844-625-8321 or at mediainfo@bdc.ca.

Ask yourself:

- Is it legal?
- Is this ethically correct?
- Am I breaching BDC Policies and directives?
- Am I doing the right thing?
- How would BDC clients view this situation?
- How would BDC view my activities?
- Will this put BDC and/or my reputation in jeopardy?
- How would BDC react if what I just said appeared on the front page of a newspaper?
- Is this information already available on a public site (e.g. BDC.ca)?
- Is this information factual and objective?
- Am I respecting BDC's brand guide?

3.3 B Corp Entrepreneurship

We must meet society's expectations in managing the consequences of our actions. It is a principle, not a stand-alone program, and it shapes BDC's Policies and practices.

This means:

Economic

We support entrepreneurs and promote entrepreneurship to create economic opportunities.

Social

We use responsible governance, finance, and human resources practices in order to act in ways that build public trust.

Environmental

We use green practices in our operations, as well as support those entrepreneurs who are working to create a low-carbon future.



3.4 Fair Dealing

We deal fairly with those with whom we interact. Strong mutual respect, transparency of actions, open communications and a spirit of support are to permeate all interactions between Employees.

We also act within our delegated authority.

Examples of prohibited behaviours considered as misconduct and subject to discipline:

- taking advantage of others
- manipulation
- concealment
- willful obstruction
- false statements
- falsification of documents
- abuse of privileged Information
- misrepresentation of facts
- disrespectful behaviours
- harassment, bullying and violence

3.4.1 Relationships Between Individuals

Our commitment to people extends beyond our Client and Supplier relationships, to all our relationships and we must all act as “One Team, One Bank”. To behave respectfully, openly, honestly, collaboratively and professionally at all times with all individuals we interact with is in the best interests of BDC.

Individuals who feel they have not been treated fairly are encouraged to discuss the matter firstly with their leader, contract administrator, their Human Resources Business Partner or a representative of the Employee Relations Team and lastly, with the Ombudsman.

3.4.1.1 Diversity and Inclusiveness

BDC recognizes the value of diversity and inclusion in making BDC a great place to work. BDC celebrates the diversity of our Employees, Clients, partners and the communities we serve. BDC is stronger and healthier as an organization when we leverage the unique differences that our Employees share. These differences include, but are not limited to, race, ethnicity, colour, gender identity and expression, family status, religion, age, or ability. In addition, we value the diversity of experience, thought and expression.

Beyond the standards and protection of federal employment equity legislation, BDC demands that all Employees be treated fairly and ethically, with respect and dignity. BDC Employees are encouraged to bring their whole selves to work so that they feel valued and are able to be productive and contributing members of BDC’s mission to support entrepreneurs.



3.4.1.2 Workplace Free from Harassment, Discrimination and Violence

BDC promotes a work environment that encourages mutual respect and professional conduct, and that is free from discrimination, harassment and violence.

Harassment and violence are defined as any action, conduct or comment, including of a sexual nature, that can reasonably be expected to cause offence, humiliation or other physical or psychological injury or illness to an Employee, including any prescribed action, conduct or comment.

BDC is committed to respecting the ***Promoting a Workplace Free from Harassment, Discrimination and Violence Procedure***.

Harassment, including sexual harassment, discrimination and violence
will not be tolerated and will be sanctioned accordingly.

In many cases, early and direct communication addressing the issue with the person concerned will help to resolve the problem. You can also discuss the issue with your leader.

If you feel uncomfortable to directly address the issue with the person concerned and/or your leader, you should take action and report it as quickly as possible to a representative of the Employee Relations team and/or your leader.

3.4.1.3 Substance Abuse

BDC is committed to respecting the ***A Substance-Free Workplace*** procedure.

At BDC, it is our responsibility to be fit for duty when we report to work and not under the influence of any substance causing impairment. Alcohol or drug dependency is a treatable condition and early intervention improves the probability of lasting recovery. We are all encouraged to take action, to seek professional assistance and to use the Employee and Family Assistance Program made available by BDC for its Employees when help is required.

3.4.1.4 External Communications and Social Media

	Employees	Consultants and Suppliers
Speaking to media on behalf of BDC	<ul style="list-style-type: none"> - according to BDC’s Disclosure Policy, only our CEO and CMO have the authority to officially speak to media on behalf of BDC. - this authority can be delegated to designated spokespersons within the organization. (A list of spokespersons can be found in our Media Room on BDC.ca). - all calls, emails and interview requests, both online and offline, must be referred to the Marketing and Communications team for review and approval. 	<ul style="list-style-type: none"> - are not authorized to speak officially on behalf of BDC.



	Employees	Consultants and Suppliers
Public forums Conferences Panel discussions	<ul style="list-style-type: none"> - must notify your leader <u>before</u> agreeing to participate. - should be clear as to whether the information they present and the opinions they express represent BDC or their own personal views. - may quote previously published information from key publications, such as the annual report and corporate plan summary. 	<ul style="list-style-type: none"> - are not authorized to grant interviews or make statements to the media regarding BDC's policies or business.
A Client or Supplier would like BDC to publicly state it supports them or their services	<ul style="list-style-type: none"> - authorized only in specific situations. - forward information regarding the request to Marketing and Communications 	<ul style="list-style-type: none"> - authorized only in specific situations. - forward information regarding the request to Marketing and Communications
A Client has threatened to call media You would like to flag a reputational risk or issue	<ul style="list-style-type: none"> - forward information regarding the request to Marketing and Communications 	<ul style="list-style-type: none"> - forward information regarding the request to Marketing and Communications
Social media	<ul style="list-style-type: none"> - are required to comply with the <i>Employee Social Media Usage Procedure</i> when using the Internet, social networking websites and blogs or when participating in newsgroups or chat rooms. 	<ul style="list-style-type: none"> - may comment in a professional way on BDC and its business, and post or share information already made available on social media by BDC's official social media pages. - are asked to refrain from posting or commenting if they have any doubt on origin of the information or whether the information may be shared.
BDC's image	Unless specifically authorized by Public Affairs, we will not use the BDC logo or brand name in our personal communications or for our own benefit in any communication medium. In addition, we will respect BDC's brand image, copyright, image and official brands.	



3.4.2 Clients, Consultants, Suppliers, External Parties and Public

3.4.2.1 Clients

We must demonstrate high standards of conduct and offer exemplary service in all dealings with Clients.

BDC is committed to respecting the “**Know Your Client**” principles in all its jurisdictions. We are responsible for complying with the BDC Policy and Directive regarding *Know Your Client, Anti-Money Laundering, Countering the Financing of Terrorism and Sanctions*.

BDC is committed to respecting the *Anti-Fraud Corporate Directive*.

BDC adheres to the principles of free competition, and is against bid-rigging, deceptive marketing practices, tied selling, abuse of dominant position and concerted actions to fix prices or interest rates that impede fair competition, and must be avoided. Any person who has concerns about the legality of any issue regarding fair competition should contact the designated Legal Affairs representative.

BDC’s *Charter of Client Rights* outlines its commitment to its Clients by way of Accountability, Information, Fairness, Confidentiality, and Due Process. The Charter is administered by the Ombudsman who is responsible for the complaint handling process and independent mediation.

3.4.2.2 Suppliers

When contracting with suppliers, BDC must ensure that its Policies regarding Supplier selection and contracting are respected, including:

- *the Procurement Policy; and*
- *the Procurement Directive.*

3.4.2.3 Referrals and Enquiries by Members of Parliament, Senators, Ministers and their Staff, and BDC Directors

BDC encourages referrals from Clients, Consultants or Suppliers, which must be provided without undue pressure. Any referral or enquiries by Members of Parliament and BDC Directors are required to follow the Policy and the Procedure on *Handling of Referrals and Enquiries by Members of Parliament, Senators, Ministers and their Staff, and BDC Directors*.

3.5 Conflict of Interest

It is our responsibility to avoid a Conflict of Interest or a situation perceived to be a Conflict of Interest.

To achieve this, it is expected from all of us at all times to:

- avoid situations where personal interests conflict, or could appear to conflict with our BDC role and responsibilities;
- arrange personal affairs to avoid real, potential or perceived Conflicts of Interest;
- do not access or otherwise use or take advantage of our position with BDC or of BDC’s network of contacts or Information, to benefit in any way for personal purposes or at the request of others;
- notify our leader or the Contract Administrator when a situation occurs where our personal interests may enter into conflict, or could appear to be in conflict, with our responsibilities;
- do not give preferential treatment to any person, including Family Members or Interested Persons;

Talk to your leader if you have any doubts or questions.



- notify our leader or Contract Administrator when a situation occurs where we supervise, directly or indirectly colleagues who are Family Members and/or Interested Persons;
- ensure that we are not obligated to, or do not give the appearance of obligation to, any person who might profit from a special consideration;
- refrain from managing or working on accounts of Family Members or Interested Persons; and
- follow the disclosure and approval process of section 3.5.8 below.

Account managers and those who recommend or approve transactions:

- must not have any personal business with anyone involved, regardless of their role;
- are not permitted to participate in any transaction or contract that involves a Client, Consultant or Supplier that is a Family Member or Interested Person;
- must follow the disclosure and approval process of section 3.5.8 below.

Also, BDC is prohibited from making a loan, investment or guarantee directly to a Director or Officer of BDC.

3.5.1 Business Assets / Liabilities

All business financial assets or liabilities must follow the disclosure and approval process of section 3.5.8 below.

When, **as determined by BDC**, assets or interests give rise to a real or potential Conflict of Interest, the individual may be required to:

- 1) divest the assets by selling them or by making them subject to a trust arrangement or other action acceptable to BDC; or
- 2) avoid entering into any contract that would place the individual in a situation of conflict.

Examples of business assets:

Partnership
Proprietorship
Joint venture
Private company
Family business
Family trust
Real estate business (for anything other than personal use)

3.5.2 Directorships

Serving as directors of corporations is permitted except where there could be a Conflict of Interest or a perceived Conflict of Interest, particularly if that corporation is conducting, or has already conducted, business with BDC.

All appointments must follow the disclosure and approval process of section 3.5.8 below.

Employees of BDC who are asked to serve as directors of corporations in which BDC invests should refer to Venture Capital Corporate Directive and Personal Trading and Embargo List Directive.



3.5.3 Outside Employment or Activities

Employment or activities outside of BDC working hours, whether for another employer or on a self-employment basis (compensated or not), is permitted only if all the following conditions are met:

- 1) There is no Conflict of Interest or perceived Conflict of Interest;
- 2) It is performed at all times outside regular BDC business hours;
- 3) It does not result in a decrease in your performance or a decline in the quality of your work produced at BDC;
- 4) It does not affect your ability to perform your duties and responsibilities objectively and impartially; *and*
- 5) You follow the disclosure and approval process at section 3.5.8 below.

Our priority must be our work at BDC at all times. BDC reserves its right to request an Employee to discontinue his/her participation in outside employment or other business activity at any time if any of the conditions above is no longer met.

When carrying out their duties, Consultants shall not be influenced by projects or outside employment offers from Clients. Consultants shall immediately notify their Director of any offer of employment or external professional activities that could place them in a Conflict of Interest.

Consultants shall not recruit or recommend to other companies any employee of a Client, unless they received prior written authorization from BDC and the Client involved.

3.5.4 Post-Employment and Post-Mandate

If an Employee or Consultant has had business dealings with a Client during the previous 12 months, he/she will not, for a period of 6 months following the termination of his/her employment:

- make representations to BDC on behalf of the Client; and
- give advice to the Client using Information that is not available to the public concerning BDC programs or policies.

3.5.5 Political Activities

While participating in political activities, discretion is in order and we must never act as representatives of BDC. Volunteering on behalf of, or donating to, a candidate for election to any federal, provincial, territorial or municipal legislative election is permitted.

Anyone who decides to run as a candidate for election must inform BDC of his/her intention to do so by following the disclosure and approval process at section 3.5.8 below. The person shall then take a leave of absence without pay or terminate his/her contract with BDC from the time the Writ of Election is issued, until the day after the election. If the person is elected as a member of a federal, provincial or territorial legislative body, with the exception of a municipal council, he/she must resign from BDC, shall be removed from the network of Consultants, or shall no longer be a BDC Supplier.

We are prohibited from using our position at, or Contract with BDC or its resources, to influence political contributions or votes.

BDC will not purchase tickets or corporate tables at events raising financial contributions for a political party. Furthermore, we will not attend such functions as representatives of BDC.



3.5.6 Community or Non-profit Organizations

Those who volunteer with community organizations or other non-profit organizations do so as individuals and not as BDC representatives. If their involvement in community organizations or other non-profit organizations creates a real or perceived Conflict of Interest with BDC responsibilities, they will be required to withdraw from the organization.

3.5.7 Gifts

We must not accept, nor offer, gifts for/by persons, groups or organizations conducting, or that would like to conduct business with BDC (this also applies to Family Members and Interested Persons), consisting of cash, bonds, negotiable securities, discounts, hospitality or other favoured treatment or other benefits “gift(s)” that could influence our judgement or performance of our duties, unless the gift:

- 1) is of nominal value (normally under \$200);
- 2) does not violate any applicable laws or regulations;
- 3) reflects a normal expression of courtesy or hospitality; and
- 4) does not raise suspicion about objectivity and impartiality.

Any gift received, which does not respect the criteria above, must be reported to your leader or Contract Administrator in order to determine the appropriate measures to be taken. Furthermore, if there is any doubt regarding the acceptance of a gift, it is recommended that you consult with your leader or Human Resources Business Partner.

And what about gifts that I should not accept?

- Helicopter tour for you and your family offered by a BDC client
- Tickets for the NHL playoffs worth \$1,000
- Monthly invitations to hockey games by the same Client or Supplier
- Discount worth \$500 to purchase merchandise offered by a client or prospective client
- A bottle of a rare and expensive wine
- A friendly invitation from a BDC Client or Supplier for you and your spouse for dinner
- Tickets to Cirque du Soleil or Disney on Ice for you and your family
- Sponsored travel to New York to attend a conference as a regular participant.

Can you give me some examples of acceptable gifts? (Please keep in mind that a gift that may objectively be acceptable may nonetheless become unacceptable because of the context or intention)

- An invitation or a ticket to a regular hockey game
- Golf game or tournament
- Casual invitation for lunch or dinner for business purposes
- Invitation to a charitable event
- Small promotional articles such as pens, notebooks, mugs or caps
- Free training to a large group offered by professionals also rendering services to BDC
- Sponsored travel to Vancouver to be a guest speaker or panellist at a public conference, while making sure that you follow the appropriate approval process at section 3.4.1.4 External Communications and Social Media.

May I accept a gift that is worth more than \$200? It may be ok to accept a gift of higher value if it is deemed appropriate by your leader in advance, following a written declaration.

May I accept a prize when invited to events organized or sponsored by a Client? Yes, if it meets the four (4) conditions listed above. Prizes or gifts valued in excess of \$200 must be returned to the organizers or declined.



What if I bought tickets for a draw at an event and won a prize worth thousands of dollars? Congratulations! You may keep a prize you won in a draw based on chance... but only if the event is not organized or sponsored by a Client or Supplier.

May I accept a lunch/dinner invitation or attend any event with a potential Supplier currently participating in one of the BDC's selection processes? All BDC Employees must abstain from meeting with a potential Supplier to avoid any perceived Conflict of Interests, whether or not the Supplier pays for the meal or the event. A meeting in BDC offices could take place, but the discussion should only include the Supplier's current mandate(s) with BDC.

May I talk to a Supplier about an upcoming selection process? Bringing up this subject can be a delicate matter, especially if the potential Supplier wants to participate in the process. We must always make sure that the Supplier derives no privilege or advantage from this potential discussion. Obtaining advanced information about a selection process could, among other things, give a potential Supplier additional time to prepare its submission. This would give him/her an unfair advantage over the other potential participants.

3.5.8 Disclosure

We all must declare and justify any situation that could raise the question of a Conflict of Interest, either real, potential or perceived. Your declaration and justification must be done in writing by following the appropriate process, upon hiring, annually, and each time a change in your situation occurs.

The following list is not exhaustive.

What to disclose?	To whom? <i>Please disclose to the appropriate person</i>
<p>Specific Conflict of Interest situations:</p> <p>3.5 - Situations (including supervising, directly or indirectly colleagues) involving a Family Member or Interested Person</p> <p>3.5.1 - If you hold an interest (directly or indirectly via a Family Member or an Interested Person) in a business or in a closely held corporation that would like to do business with BDC or has done business with BDC</p> <p>3.5.1 - Registered or incorporated business, even if inactive</p> <p>3.5.1 - If you are an officer (directly or indirectly via a Family Member or Interested Person) of an entity that is or might reasonably be expected to be a party to a material contract or transaction with BDC</p> <p>3.5.3 - Outside Employment or Activities</p>	<p>Leader or Contract Administrator</p> <p>AND</p> <p>Vice President or Managing Partner</p>
<p>All other Conflict of Interest situations:</p> <p>Any situation other than the ones listed above that could create a bias or perception of a bias, for example:</p> <p>3.5.2 – Directorships</p> <p>3.5.5 - Political activities</p> <p>3.5.6 - Appointments to “not-for-profit”, community-oriented, trade or professional association</p>	<p>Leader or Contract Administrator</p>



3.6 Insider Information or Trading Securities

We are required to comply with the *Personal Trading and Embargo List Directive* with regard to public companies.

We must not, directly or indirectly, knowingly take advantage of, or benefit from, information we obtain at work that is not generally available to the public.

3.7 Fraud and Misappropriation

We are required to comply with the *Anti-Fraud Corporate Directive* and to report any such suspected dishonest conduct.

BDC has zero tolerance for any type of fraud, theft, misappropriation, money laundering, bribery and corruption.

We must not engage directly or indirectly in any bribery, kickback or other inappropriate payment to or from Clients or other external parties.

We should not directly or indirectly use or allow the use of BDC funds, property or Information of any kind, including intellectual property, methodologies, processes or trade secrets. We must not allow the use of BDC funds, property or Information for anything other than officially approved activities. Use of such assets in a negligent, inadequate manner or for personal gain constitutes a violation of the Code. Anyone found to have done so will be considered to have committed a misappropriation.

3.8 Protecting BDC Information and IT Systems

The use of BDC Information, IT Systems or Handheld Devices is subject to BDC Policies and Directives. We must comply at all times with directives and specific protection requirements, which include but are not limited to the following:

- *the Information Security Policy*
- *the Disclosure Policy;*
- *the Information Management Directive;*
- *the Use of Information Technology Directive;*

3.8.1 Accurate, Confidential and Secure Transactions, Information and Records

We must play our part in ensuring the accuracy and integrity of BDC's Information, record-keeping, information-gathering and reporting IT Systems. We must comply with BDC Policies, Directives and Procedures to ensure that transactions are properly authorized, promptly recorded in the right accounts and adequately supported by back-up documentation.

BDC strives to ensure all reports (whether for external or internal use), records and other Information are factual, fair, complete, timely and understandable and are maintained according to BDC Policies, Directives and Procedures and legal requirements.

BDC expects us to respect and follow its practices for record retention and their safeguards as described in the Information Management Directive.

BDC is subject to the *Access to Information Act* and therefore external parties may, subject to certain exemptions, have access to any records under BDC's control. This includes records in hard copy or electronic format. The *Access to Information Act* makes it a criminal offence to destroy, alter, falsify or conceal a document with the intent of obstructing the



right of access under the *Act*. All requirements related to the process of Access to Information can be found in the *Procedure on Managing Requests for Information from Outside Parties*.

- To protect the accuracy of our Information and records, only legally licensed and software approved by IT is to be used on BDC IT Systems.
- We must not knowingly destroy, mutilate, alter, falsify or conceal BDC's records.
- We must cooperate with BDC's designated Access to Information Coordinator to ensure that all records relevant to a particular formal request are identified and retrieved for review.

3.8.2 Confidentiality

3.8.2.1 Personal Information

BDC is subject to the *Privacy Act*, which sets out that Personal Information is confidential and cannot be disclosed except with the consent of the individual and other specific conditions outlined in the *Act*. All requirements related to the protection of Personal Information can be found in the *Management of Personal Information Procedure*.

3.8.2.2 Client Information

Client Information is subject to section 37 of the *BDC Act*. Client Information cannot be disclosed to external parties without express written consent. When in doubt, we should seek guidance from Legal Affairs.

All requirements related to this obligation can be found in the *Procedure on Managing Requests for Information from Outside Parties*.

3.8.2.3 Protecting Confidentiality

We are required to protect the confidentiality and security of Client Information, Personal Information and BDC Confidential Information we hold, not only when BDC collects, uses or retains the Information but also when it disposes of or destroys Information (e.g. by shredding). The *Information Management Corporate Directive* identifies four classifications for Information: Public Access, Internal Access, Limited Access (Confidential) and Restricted Access. Personal Information and Client Information are Confidential Information.



Our Clients and Employees expect, at all times, including after the end of their relationship with BDC, that we take appropriate precautions to preserve confidentiality.

As such, we should, at all times:

- use Client and Personal Information only for the purposes for which it was provided to us;
- access Client and Personal Information on a need-to-know basis only;
- not display Client and Personal Information or leave Confidential documents lying about in an unsecured manner;
- not discuss Client and Personal Information in public places, including hallways, elevators or cafeteria/restaurants or on blogs or social networks;
- not reveal Client and Personal Information to persons outside BDC, including Family Members or Interested Persons, or other persons who do not require the Information for their work;
- use only secure Information Media to transmit Client and Personal Information (e.g., taking necessary precautions when using unsecure Information Media such as cellular telephones) and be certain with whom we are communicating;
- destroy or dispose of Client and Personal Information according to BDC's Information Management Directive record management retention procedures; and
- keep all IT Systems secure by following BDC's Information Security Policy processes and procedures.

Can I check out Information on one of my Client's competitors in CLICS? No, you are not allowed to do that.

Can I give my Client's coordinates to a third party who could help my Client grow its business? Only with the written consent of that Client prior to any disclosure.

Can I look for prospects in CLICS? No, Information contained in CLICS is not shared by Clients for that purpose.

3.8.3 Security of Property, Confidential Information and IT

Effective Information security at BDC is a team effort involving the participation and support of everyone.

BDC provides IT Systems, such as telephones, fax machines, photocopiers, computers, software, Handheld Devices, etc., for the purpose of performing its business operations. We are expected to ensure that any personal use of BDC IT Systems is kept to a minimum and that we do not take advantage of them for our own benefit or profit.

We have an obligation to protect company assets, facilities, supplies, equipment, and IT Systems and programs against loss, theft, damage, misuse, corruption, vandalism and unauthorized access, use and disposal. This applies on BDC premises as well as off-premises. It also applies to us when others authorize us to hold their information in our custody or safekeeping, in which case we are responsible for treating it with the same level of Information security and applying any reasonable security measures of which they advise us.

We are expected to take reasonable measures to safeguard access controls such as UserID and password, pass cards, smart card or token and keys in accordance with the *Use of Information Technology* Directive.

Anything Employees develop, create or author in their capacity as an Employee of BDC becomes the sole and exclusive property of BDC. Consultants and Suppliers must refer to their contracts with BDC for details on our ownership of intellectual property.

3.8.4 IT Security

Information Technology Security (IT INFOSEC) is committed to protecting BDC, and encouraging users to protect BDC from, illegal or damaging actions by individuals, whether committed knowingly or unknowingly.



IT Systems, including, but not limited to, all IT Systems provided to us by BDC as well as all software, operating systems, Handheld Devices, storage Information Media and network accounts providing access to electronic mail and Internet browsing, are the property of BDC. While BDC accepts reasonable personal use of some of the above, these IT Systems are to be used primarily for business purposes during the course of normal activities, as well as to serve the interests of BDC. BDC is the exclusive owner of all Information which includes data recorded on any IT Systems and Handheld Device.

We must safeguard any Information of which we are the designated Information Owner (according to the *Information Security Policy*), or have custody, or use, even when we are disposing of Information or IT Systems. We must comply at all times with BDC's *Information Security Policy's* processes and protection requirements, including any specific requirements applicable to a particular IT System or program, including Handheld Device.

We should have no expectation of privacy when using any BDC IT System or Handheld Devices, either on BDC premises or off-site. BDC has the right to review, monitor and conduct audits of its IT Systems and Handheld Device, including e-mail communications.

We are required to read and apply BDC's *Use of Information Technology* Directive and other applicable BDC Policies, Directives and Procedures on Information security at all times.

In addition, all Employees must complete the IT information security awareness training annually, which reminds us of the practices for protecting Information and IT Systems as well as informs us about any action expected from us to prevent the presence of new threats against IT Systems or against Confidential Information of BDC or of our Clients.

4. Speaking Up, Raising Concerns and Reporting

BDC has an *Internal Procedure to Review Breaches to the Code* and a policy on *Disclosure of Wrongdoing in the Workplace*. BDC promotes a culture of open and honest communication where issues and concerns can be handled with respect and confidentiality.

4.1 Internal Procedure to Review Breaches to the Code

BDC's *Internal Procedure to Review Breaches to the Code* outlines the internal procedure undertaken by BDC as it relates to a review of a Breach to the Code (as defined in the procedure). It also confirms clear responsibilities and accountabilities with regard to an investigative process and informs us all on how we are expected to conduct ourselves when we become aware or are informed of a Breach to the Code.



4.2 BDC's Policy on Disclosure of Wrongdoing in the Workplace

When we have reasonable grounds to believe that another person has committed, is about to commit, or has been asked to commit, a wrongdoing in violation of the Code, we are required to report it. This can be done without fear of reprisal. When making a report, everyone should respect the reputation of individuals and refrain from making false or misleading disclosures of wrongdoing or disclosures in bad faith. Disclosures of wrongdoing may be anonymous and confidential and should follow the internal processes established in this policy.

4.3 Disclosure Channels

Do not hesitate to speak up, raise and report concerns to:

- Your direct leader or contract administrator
- Anonymously through the Ethics hotline administered by ClearView Connects, the toll-free hotline at 1 877 845-1448 and the secure website www.clearviewconnects.com
- The Employee Relations team
- Chief Audit Executive.

4.4 Chief Audit Executive

As the BDC Senior Officer designated to receive and act on the disclosures of wrongdoing, the Chief Audit Executive receives, records and reviews all disclosures of information, including those that may be anonymous, concerning wrongdoing. The Chief Audit Executive establishes if there are sufficient grounds for further action and ensures the privacy rights and confidentiality of persons involved in the disclosure process (including persons making disclosures, witnesses and persons implicated or alleged to be responsible for the wrongdoing).



5. Administration of the Code

5.1 Acknowledgments and Renewals

Employees, as a condition of employment	Consultants, as a condition to be part of BDC's network of Consultants	Suppliers, as a condition to their contract
When hired...	When retained...	When retained...
1) swear the Oath or Solemn Affirmation of Office 2) sign the Compliance Acknowledgment certifying that they have read, understood and will comply with the Code	1) swear the Oath or Solemn Affirmation of Office 2) confirm within the Master Agreement and Contract with BDC that the Consultant has read, understood and will comply with the Code	1) swear the Oath or Solemn Affirmation of Office 2) confirm within its service contract (whatever the title) or a Statement of Work concluded with BDC that the Supplier has read, understood and will comply with the Code
	What if the Consultant is a company?	What if the Supplier is a company?
	The company commits to BDC to provide a copy of the Code to all individuals that are assigned to provide services and to monitor their compliance with the obligations set out in the Code at all times.	The company commits to BDC to have the Oath or Solemn Affirmation of Office signed and to provide a copy of the Code to any individual assigned to perform services, as a condition of maintaining and continuing a business relationship with BDC.
Annually	Annually	Annually
Online Compliance Acknowledgment certifying that the Employee has read, understood and will comply with the Code	BDC Consultants review the Code and renew their commitment to the Code, personally or on behalf of the Employees assigned to perform services, as a condition of maintaining and continuing the Master Agreement and Contracts in place.	Suppliers review the Code and renew their commitment to the Code, personally or on behalf of the Employees assigned to perform services, as a condition of maintaining and continuing a business relationship with BDC.

5.2 Code Interpretation

If there is any need for interpretation under the *Code of Conduct, Ethic and Values*, the Chief Human Resources Officer is responsible for rendering a decision.



5.3 Review and Approval of the Code

The Code is reviewed regularly at least every two (2) years and approved by the Board with any changes required.



6. Definitions

The following key words, listed in alphabetical order, are defined to assist in understanding the Code:

“BDC”	The Business Development Bank of Canada (also referred to as “the Bank”).
“BDC Policies”	Refers to BDC’s corporate policies, corporate directives, business rules and procedures.
“Client”	Any individual or any form of legal entity with whom BDC transacts or proposes to transact for the purposes of fulfilling its mandate, including clients of BDC Financing, BDC Advisory Services, BDC Capital and BDC Indirect Financing.
“Conflict of Interest”	Arises when the interests of an Employee, Consultant or Supplier, or of a Family Member or Interested Person, or a duty to some other person or entity, interferes with, or appears to interfere with, the responsibility and duty of an Employee, Consultant or Supplier to BDC. It occurs when an individual exercises a duty or function that provides an opportunity to further his/her personal interest or those of his/her Family Members or Interested Persons or to improperly further another person’s personal interest, even if BDC is not adversely affected by the conduct.
“Consultant”	Any business or person who is not an Employee of BDC that is a member of the BDC Advisory Services external network of consultants and bound by a Master Agreement and one or more contracts to provide consulting services to BDC clients.
“Directors”	Individuals appointed by an Order in Council to BDC’s Board of Directors.
“Employee”	All BDC permanent and temporary personnel, whether full-time or part-time, and including the President and CEO.
“Family Member”	With respect to any BDC Employee, Consultant or Supplier, means a person in a familial relationship and includes: a spouse or equivalent, live-in partner, dependant, child, step-child, parent, foster parent, mother-in-law or father-in-law, grandparent, sibling, sister-in-law or brother-in-law, or any other such person whether or not they reside in the same household as the Employee, Consultant or Supplier.
“Handheld Device”	A mobile computing equipment, such as a smart phone or tablet, small enough to hold and operate in one hand.
“Influencers”	Persons with whom BDC usually works in the local community, such as accountants or lawyers, and who may refer Clients to BDC.
“Information”	Any information asset including data related to BDC’s operations and activities such as Confidential business, financial, transactional, Employee and client information, in any form or Information Media whatsoever, including electronic documents, paper documents or a database.



“Information Media”	Physical devices or writing surfaces including, but not limited to, magnetic tapes, optical disks, magnetic disks, Large-Scale Integration (LSI) memory chips, and printouts (but not including display media) onto which Information is recorded, stored, or printed within an IT System.
“Information Owner”	Employee with statutory or operational authority for specified Information and responsibility for establishing the controls for its generation, collection, processing, dissemination, and disposal.
“Interested Person”	Someone having a close personal or business relationship with an Employee, Consultant or Supplier.
“IT System”	Any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or Information by the organization. IT Systems include computers, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.
“Officer”	Members of BDC’s Senior Management Committee (“SMC”).
“Personal Information”	Any Information about an identifiable individual (e.g. age, ethnic origin, religion, marital status, education and financial history, medical history, personal views or opinions of or about the individual). This includes personal information about BDC’s Employees, Consultants and Suppliers, as well as its Clients (e.g. directors, officers, shareholders and guarantors of corporate Clients).
“Code”	The <i>BDC Code of Conduct, Ethics and Values</i>
“Supplier”	Any company or person who is not an Employee of BDC that provides services to BDC under a Service agreement or one or more Statements of Work, or any other agreement (regardless of its title) stipulating the services to be provided to BDC, including any person or company that acts as a Consultant to BDC, but excluding any company that has adopted and has still in force an employee code of conduct whose terms have been considered adequate by the Assistant Vice President, Legal Affairs. These firms are not required to sign or renew their oath to the Code so long as they have in force at all times a satisfactory code of conduct.

Marie-Chantal Lamothe

Chief Human Resources Officer

- END OF POLICY -

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