

# Code of Conduct and Ethics

## PREAMBLE

### Purpose and Application

The purpose of the Code of Conduct and Ethics Policy (Code) is to establish the rules governing the business and ethical conduct for all Directors and Employees of the Automobile Insurance Rate Board (AIRB).

As an independent agency established by the Minister of Finance to regulate automobile insurance premiums in Alberta, there is an obligation to Albertans that there not be, nor perceived to be, any conflict between the private interest of Directors and Employees and their duties to the AIRB and to the public. It is recognized that Directors and Employees should enjoy the same rights in their private dealings as any other citizens unless a restriction thereof is essential to the public interest.

This Code reflects a commitment to the values of respect, accountability, integrity and excellence and provides a framework to guide ethical conduct in a way that upholds the professionalism and reputation of the AIRB. Directors and Employees are expected to conduct themselves in accordance with this Code, understanding that this Code does not cover every specific scenario. Therefore, Directors and Employees are to refer to the values of the AIRB and this Code to guide their conduct and their exercise of care and diligence in the course of their work with the AIRB.

### Core Values

Directors and Employees must adhere to the AIRB core values of accountability, integrity and excellence and must:

- act with impartiality and integrity;
- demonstrate respect and accountability; and
- use innovation and continuous improvement to achieve excellence.

### Definitions

- **Associate** includes any of the following:
  - a spouse, an interdependent partner, a family member, a business associate, or others with whom the Director or Employee has a significant personal or business relationship;
  - a business or corporation where the Director or Employee owns 10% or more of the shares;
  - a partnership in which the Director or Employee owns a 10% or more interest;
  - a person or group of persons acting as the agent of the Director or Employee and having actual authority in that capacity.
- **Board Chair** means the person who has been duly appointed as the Chair of the Board of Directors.
- **Board of Directors** means all of the Directors of the AIRB appointed by the Lieutenant Governor in Council in accordance with section 599(1) of the Insurance Act.
- **Code** means this Code of Conduct and Ethics Policy.
- **Code Administrator** means:
  - for Directors other than the Board Chair, the Board Chair;
  - for Employees other than the Executive Director, the Executive Director
  - for the Executive Director, the Board Chair; and
  - for the Board Chair, the Vice Chair.

- **Director** means a current director of the AIRB appointed by the Lieutenant Governor in Council in accordance with section 599(1) of the Insurance Act.
- **Employee** means a current full-time employee of AIRB, part time employee of AIRB, temporary employee of AIRB or contractor of the AIRB and includes the Executive Director.
- **Executive Director** is the senior official for the AIRB, responsible for its day-to-day management.

## POLICY

### Guiding Principles

The following principles shall guide the behaviour and decisions of the Directors and Employees:

- a) Show that their actions and decisions are ethical, impartial, independent and follow the AIRB's core values and mandate;
- b) Conduct themselves with dignity and in a professional manner;
- c) Demonstrate and encourage ethical behavior and governance best practices;
- d) Be responsible stewards of corporate resources and exercise financial management;
- e) Act in good faith and to place the interests of the AIRB above their own personal interest;
- f) Act in a way that demonstrates that their behavior and actions are fair and reasonable;
- g) Enjoy the same rights in their private dealings as any other Albertan, unless it is demonstrated that a restriction is necessary in the AIRB's interest;
- h) Employees must follow the Code of Conduct and Ethics for the Public Service;
- i) If a Director or Employee is subject to any code of conduct in addition to this Code, they must consider the expectations in all codes, but the foregoing shall not excuse such Director or Employee, as the case may be, from compliance with this Code;
- j) Understand that this Code is not intended to conflict with other codes of conduct, and they will discuss any potential conflicts, that may occur in the near future with the Code Administrator;
- k) Understand that disclosure itself does not remove a conflict of interest;
- l) Confirms, on an annual basis, their understanding of, and commitment to, the expectations of this Code. This includes a signed acknowledgement to abide by this Code.

### Behavioral Standards

Behavioral standards help Directors and Employees make appropriate decisions when the issues they face involve ethical considerations. These standards cannot cover all scenarios but provide guidance in support of day-to-day decisions.

### General Obligations and Duties

1. Directors and Employees must NOT:
  - a) use or communicate information not available to the general public that was gained in the course of carrying out his or her duties to further a private interest of the senior official or an Associate;
  - b) take part in a decision in the course of carrying out his/her office or powers knowing the decision may further their own private interest or that of an Associate;
  - c) use their status or position with the AIRB to influence or gain a benefit or advantage for themselves, or an Associate; and
  - d) misuse drugs or alcohol in a way that affects their performance and safety or the performance and safety of their colleagues.
2. Directors and Employees must:
  - a) act in a way that is consistent with the AIRB's protocols on public comment;
  - b) maintain confidentiality with respect to any information (including verbal information, documents and reports) obtained for the purposes of carrying out his or her duties unless authorized for distribution by the Board Chair or Executive Director, as applicable;

- c) respect and protect confidential information, use it only for the work of the AIRB and not use it for personal gain or benefit for himself, herself, or an Associate;
- d) take reasonable steps to avoid situations where they may be placed in an actual or perceived conflict between their personal interests and the interests of the AIRB;
- e) avoid dealing with those in which the relationship between them might bring into question their impartiality; and
- f) help contribute to a safe and healthy workplace that is free from discrimination, harassment or acts of violence and abuse (physical or verbal).

### **Gifts**

- 3. Directors and Employees must NOT use their position to solicit gifts.
- 4. Directors and Employees must NOT accept or receive gifts or gratuities other than the normal exchange of gifts between external stakeholders, tokens exchanged as part of protocol or the normal presentation of gifts to people participating in AIRB's functions.
- 5. Any gifts and hospitality accepted shall be of nominal or nil monetary value. The total value of gifts, fees and benefits given from the same source in any calendar year cannot exceed \$200 and must not include cash or cheques.

### **Business Interests**

- 6. Directors and Employees must NOT act in self-interest or use their position or duties to further their private interests.
- 7. Directors and Employees must NOT hold an interest, directly or indirectly, in any business which could influence or benefit from the decisions of the AIRB.
- 8. The Board Chair and Executive Director must NOT, directly or indirectly, own or have any beneficial interest in publicly traded securities, which ownership may influence the decisions of the AIRB.

### **Supplemental Employment**

- 9. Directors and Employees must NOT conduct or take on, directly or indirectly, any business, undertaking, or other employment (including self-employment) ("**Supplemental Employment**") that interferes or may be perceived to interfere with such Director's or Employee's: (i) performance of duties for the AIRB; (ii) availability for work or to provide services to AIRB as reasonable required by AIRB from time to time; or (iii) or impartiality with respect to the mandate of the AIRB.
- 10. Before accepting any Supplemental Employment, a Director or Employee (other than the Board Chair and Executive Director) must obtain approval of the Code Administrator. Such Director or Employee shall disclose in writing to the Code Administrator the proposed Supplemental Employment including details as the Code Administrator may reasonably require. The Code Administrator shall review the proposed Supplemental Employment and if the Code Administrator determines that the same results in an actual or perceived conflict of interest, the Code Administrator shall deny approval to such Director or Employee.
- 11. Directors and Employees who have accepted Supplemental Employment with the approval of the Code Administrator shall be aware of and manage any actual or perceived conflicts of interest between their position at AIRB and such Supplemental Employee shall comply with this Code.

12. Directors and Employees must NOT disclose confidential information that they become aware of in the performance of their duties with the AIRB.
13. Directors and Employees must NOT use contacts with former colleagues to gain unfair advantages.
14. For a period of 12 months following the date upon which: (i) a Director ceases to be a director of the AIRB; or (ii) an Employee ceases to be an active employee of the AIRB, such Director or Employee, as the case may be, shall not be a representative of or give advice to any person or entity which may influence any decision made by the AIRB.

#### **Political Activity**

15. Directors and Employees may participate in political activities including holding membership in a political party, supporting a candidate for elected office or seeking elected office.
16. Directors and Employees must NOT use their position with the AIRB to seek contributions for a political party or activity.
17. All such political activities must be conducted separately from the activities and business conducted by the AIRB and must NOT make use of AIRB facilities, equipment or resources.
18. If a Director or Employee (other than the Board Chair and Executive Director) is planning to seek an elected federal, provincial, or municipal office, they must disclose their intention in writing as soon as possible to the Code Administrator for guidance relating to their duties with the AIRB.
19. If the Board Chair plans to seek an elected federal, provincial, or municipal office he or she must disclose his or her intention in writing as soon as possible to the Vice Chair for guidance relating to their duties with the AIRB. If the Executive Director plans to seek an elected federal, provincial, or municipal office he or she must disclose his or her intention in writing as soon as possible to the Board Chair for guidance relating to their duties with the AIRB.

#### **Volunteer Activity**

20. If a Director or Employee is involved in volunteer work, the activity must not influence or conflict the activities or business conducted by the AIRB.
21. All such volunteer activities must be conducted separately from the activities and business conducted by the AIRB and must NOT make use of AIRB facilities, equipment or resources.
22. Notwithstanding the previous section, Directors and Employees may, with the consent of the Code Administrator, use the AIRB's premises and equipment for such volunteer activities provided that the same involves expense to the AIRB and does not interfere with the mandate of the AIRB or support a personal or private business. The Board Chair shall require the consent of the Vice Chair and the Executive Director shall require the consent of the Board Chair to use the AIRB's premises and equipment for volunteer activities in accordance with this section.

#### **Compliance with Law**

23. Directors and Employees must:
  - a) not engage in any criminal activity;
  - b) act at all times in full compliance with all applicable laws, regulations, and AIRB policies and procedures;

- c) avoid any situation which could be perceived as improper or indicate a casual attitude towards compliance; and
- d) be familiar with any legislation that applies to their work, recognize potential liabilities and when appropriate seek legal advice.

24. If a Director or Employee (other than the Board Chair or Executive Director) is charged or convicted under the *Criminal Code of Canada* or *Controlled Drugs and Substances Act* (Canada) such Director or Employee shall immediately report the charge or conviction to the appropriate Code Administrator.

25. If the Board Chair is charged or convicted under the *Criminal Code of Canada* or *Controlled Drugs and Substances Act* (Canada) the Board Chair shall immediately report the charge or conviction to the Vice Chair.

26. If the Executive Director is charged or convicted under the *Criminal Code of Canada* or *Controlled Drugs and Substances Act* (Canada) the Executive Director shall immediately report the charge or conviction to the Board Chair.

### **Specific Obligations of the Board Chair and Executive Director**

The Board Chair and the Executive Director must also adhere to requirements of the *Alberta Accountability Act* and the *Public Service Act* as a Designated Office Holder and the sections applicable to Senior Officials under the *Conflicts of Interests Act* in order to be compliant with this Code.

Neither the Board Chair nor the Executive Director may engage, directly or indirectly, in any concurrent appointment, business, undertaking, or employment (including self-employment) unless the same is first approved in writing by the Ethics Commissioner.

As senior officials under the *Conflicts of Interest Act*, the Board Chair and Executive Director:

- a) must NOT take part in a decision in the course of carrying out the Board Chair or Executive Director's office or powers knowing that the decision might further a private interest of the Board Chair or Executive Director, as the case may be, or a person directly associated therewith including a minor or adult child;
- b) must NOT use the Board Chair or Executive Director's office or powers of influence or seek to influence a decision made by or on behalf of the Crown or a public agency to further a private interest of the Board Chair or Executive Director, as the case may be, or a person directly associated therewith, or to improperly further any other person's private interests;
- c) must NOT use or communicate information not available to the general public that was gained by him or her in the course of carrying out his or her office or powers to further or seek to further a private interest of the Board Chair or Executive Director, as the case may be, or of any other person; and
- d) must appropriately and adequately disclose an actual or perceived conflict of interest to the Ethics Commissioner.

### **Administrative Processes**

Administrative processes help manage ethical dilemmas, including any actual or perceived conflict of interest concerns.

### **Administration**

The Code Administrator shall provide advice and manage concerns and complaints concerning potential breaches of the Code. The Code Administrator shall ensure procedural fairness.

The Code Administrator shall receive and ensure the confidentiality of all inquiries and disclosures, and ensure that any actual or perceived conflict of interest is avoided or effectively managed.



Where needed, the Executive Director may refer any issue or situation covered by this Code to the Board Chair.

### **Disclosure**

Directors and Employees must disclose to the Code Administrator in writing all actual or perceived conflicts including those that arise in conjunction with a change in duties or responsibilities with the AIRB or in the personal circumstances of such Director or Employee.

### **Reporting a Potential Breach**

Directors and Employees are required to report in writing any potential breach of this Code to the Code Administrator, except for potential breaches by the Board Chair or Executive Director of specific obligations applicable to senior officials under Sections 23.925 and 23.926 of the *Conflicts of Interest Act* which shall be reported to the Ethics Commission. Reports made in good faith and with reasonable grounds shall not be subject to disciplinary measures.

The identity of any reporter will not be disclosed unless required by law, pursuant to legal proceedings which require such disclosure or with the consent of the reporting party.

### **Responding to Potential Breach**

If a potential breach is reported, the Code Administrator shall notify in writing the Director or Employee alleged to have breached this Code.

The Code Administrator shall conduct an investigation, which shall include interviewing the Director or Employee alleged to have breached the Code, make a decision and complete a written report in a timely manner, a copy of which shall be provided to the Director or Employee subject to the investigation.

If the Code Administrator finds there is an actual or perceived breach the Code Administrator will include in the written report any related instructions. The conflict must be managed as instructed by the Code Administrator. Instructions from the Code Administrator may include but are not limited to giving up the activity, interest, employment or appointment.

### **Consequences of a Breach**

Directors and Employees who do not comply with this Code will be subject to appropriate disciplinary action commensurate with the circumstances. A serious breach of this Code may result a suspension from duties and a recommendation that the Minister rescind the Director's appointment or that appropriate human resource action be taken for an Employee.

Where an actual or perceived conflict of interest cannot be avoided, Directors and Employees must take the appropriate steps to manage the conflict, including steps directed by the Code Administrator. Management of a conflict of interest may include but is not limited to:

- Removing someone from matters in which an actual or perceived conflict exists;
- Giving up the particular private interest giving rise to the actual or perceived conflict; and
- resigning from the AIRB.

### **Questions to Consider**

When Directors or Employees face a difficult situation, the following questions may help such Director or Employee determine the correct course of action:

- Have I reflected on or consulted with the Code Administrator about whether I am compromising the Code's values, principles or behavioural standards?
- Have I considered the issue from a legal perspective?
- Have I investigated whether my behaviour aligns with the policy or procedures of the AIRB?
- Could my private interests or relationships be viewed as impairing my objectivity?
- Could my decision or action be viewed as resulting in personal gain, financial or otherwise?
- Could my decisions or actions be perceived as granting or receiving preferential treatment?

## COMMUNICATION

Should a Director or Employee require advice or guidance in determining whether misconduct or a conflict exists, or requires clarification, the Director or Employee may discuss the issue(s) with a Code Administrator.

Any questions regarding this Code should be directed to a Code Administrator.

To demonstrate commitment to transparency and accountability, this Code is available to the public on the AIRB's website.

## MONITORING & REPORTING

All new Directors and Employees shall be required to complete an orientation session that includes a detailed review and acknowledgement of this Code and the Confidentiality Statement.

To ensure that Directors and Employees have a thorough understanding of the spirit and intent of the AIRB's policies and programs relating to conduct, Directors and Employees shall complete the following forms annually:

- Declaration and Acknowledgement for the Code of Conduct and Ethics Policy
- Disclosure Statement (Board Chair and Executive Director only)
- Confidentiality Statement

## REVIEW AND DOCUMENT HISTORY

This Code may be revised from time to time as required.

The Board will review the Code annually to ensure it remains current and relevant; and make amendments as appropriate.

Any changes to the Code will be provided to the Ethics Commissioner for review and approval.

Once approved, changes to the Code will be made public for 90 calendar days before coming into effect.

Effective Date	Revision #	Changes Made
April 1, 2019	0	Effective Date.
May 1, 2025	1	Changes as per Ethics Commissioner to align with the <i>Conflicts of Interest Act</i> .

## RELATED DOCUMENTS

- *Conflicts of Interest Act*, RSA 2000, c C-23
- *Alberta Accountability Act*, SA 2014, c 9
- *Public Service Act*, RSA 2000, c P-42
- *Insurance Act*, RSA 2000, c I-3
- Declaration and Acknowledgement for the Code of Conduct and Ethics Policy
- Disclosure Statement
- Confidentiality Statement