

1. INTRODUCTION

The object of this Code is to enhance public confidence and trust in the integrity, objectivity and impartiality of the Corporation.

The Directors of Metrolinx occupy a position of trust in their relations with fellow Directors, officers and employees of the Corporation, as well as with the Legislature, stakeholders and the public.

The Code illustrates the standards of conduct and ethical behaviour Directors expect to attain in the performance and exercise of their responsibilities as Directors of the Corporation.

No Code can offer a complete guide to cover all possible situations that might be encountered. Directors are expected to observe both the spirit and letter of this Code and must exercise judgment in applying the principles embodied in this Code to any particular situation. Directors also recognize that a culture of integrity is defined principally by actions, not formal documents, and that the Directors must show leadership in this area.

The Directors wish to confirm their commitment to such standards and a culture of integrity by establishing this Code of Business Conduct and Ethical Behaviour for Directors (the "Code").

2. CODE ADVISOR

The Chair of the Board or, where the matter relates to the Chair of the Board, the Chair of the Audit Committee (the "Code Advisor"), with the assistance of an independent advisor where deemed appropriate by the Code Advisor, will report directly to the Board, and will be responsible for:

- establishing, reviewing and updating appropriate policies, guidelines and procedures for this Code;
- providing advice, receiving disclosure and, if appropriate, issuing written opinions or advisories to Directors on code of conduct matters they may encounter in fulfilling their respective responsibilities; and
- preparing an annual report to the Board on the enquiries or disclosures received in each fiscal year, and how they were answered or resolved.

3. THE EXPECTED STANDARDS OF BUSINESS CONDUCT AND ETHICAL BEHAVIOUR

(a) *Comply with applicable laws*

Directors shall comply with the laws and regulations governing their conduct. Directors have a responsibility to be sufficiently familiar with any legislation or regulations that apply to their directorship, including but not limited to the *Public Service of Ontario Act, 2006* and its associated regulation governing conflicts of interest for Ministry staff, Ontario Regulation 381/07, which has been incorporated into Metrolinx's Conflict of Interest Policy. Ignorance of the law is not, in general, a defence should a law be contravened. Directors should seek legal advice where appropriate.

Directors must not engage in, or give the appearance of being engaged in, any illegal or improper conduct that is in violation of this Code or that indicates a casual attitude towards compliance with laws, regulations or this Code.

(b) *Comply with the Corporation's policies*

Directors have a responsibility to be knowledgeable of the Corporation's policies and to comply with these policies. This includes, but is not limited to, the Corporation's Conflicts of Interest policy.

(c) *Exercise duties honestly and in good faith with a view to the best interests of the Corporation*

Directors acknowledge their obligations under the *Metrolinx Act, 2006* (the "Act") as may be amended from time to time. The Act which incorporates the standards of the *Ontario Business Corporations Act* providing that, in exercising their powers and performing their duties, directors shall act honestly and in good faith with a view to the best interests of the Corporation.

Directors further acknowledge their common law duty, as fiduciaries, to subordinate their own personal interests to those of the Corporation.

(d) *Maintain the highest standards and uphold corporate values*

Directors shall maintain the highest standards of ethical behaviour and business conduct in the performance and exercise of their responsibilities as Directors of the Corporation or when otherwise representing the Corporation.

(e) *Confirmation of Receipt*

To acknowledge their commitment to abide by the provisions of the Code, each Director shall annually sign the confirmation of receipt form attached as Schedule "A" and return it to the Chair.

4. CONFLICTS OF INTEREST CODE

Directors must avoid any conflict, or perception of conflict, between his or her personal interests and the interests of the Corporation in transacting the Corporation's business. A conflict situation can arise when a Director (a) has a personal interest that would be likely to interfere with or appear to interfere with Metrolinx' interests or the Director's loyalty to or judgment on behalf of Metrolinx; (b) chooses or may appear to have chosen a personal interest over the interests of Metrolinx; or (c) takes actions or has interests that may make it difficult or appear to make it difficult to perform his or her work objectively and effectively.

Some examples of a conflict of interest might include:

- having an interest in or relationship with a company with which Metrolinx does or proposes to do business;
- having an interest in a transaction in which Metrolinx is or may be interested;
- passing confidential information to others;
- investment activity using confidential information;
- using the Director's position at Metrolinx to obtain personal benefits; or
- accepting gifts, payment, or services from those seeking to do business with Metrolinx.

Directors have full knowledge of the Corporation's *Conflicts of Interest Policy* and agree to comply with the provisions of such policy.

5. CONFIDENTIALITY

Directors often have access to confidential or proprietary information about Metrolinx, its business partners, or other third parties. Directors must protect the confidentiality of such information, except when disclosure is authorized or legally mandated.

Confidential information includes, among other things, any non-public information concerning Metrolinx, including its businesses, financial performance, results or prospects

and any non-public information provided by a third party with the expectation that the information will be kept confidential and used solely for the business purpose for which it was conveyed. All information regarding the business, affairs and activities of Metrolinx should be considered confidential by Directors unless and until it is properly made available to the public.

A Director who receives confidential information is prohibited from disclosing such information to any other person unless it is necessary to do so in the conduct of Metrolinx' business and then only if the Director takes appropriate steps to protect the continuing confidentiality of such information.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set out below should be observed at all times:

- confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, restaurants, airplanes or taxis;
- confidential documents should not be read in public places, left in unattended conference rooms, left behind when a meeting is over or discarded where they can be retrieved by others. Similarly, directors should not leave confidential information at their homes where it can be accessed by others;
- care should be taken in communicating confidential matters on wireless telephones or other wireless devices;
- transmission of confidential information via electronic means, such as by fax or e-mail, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- access to highly confidential electronic data should be restricted through the use of passwords;
- unnecessary copying of confidential documents should be avoided and extra copies of confidential documents should be shredded or otherwise destroyed;
- documents and files containing confidential information should be kept in safe and controlled locations;
- all proprietary information, including computer programs, analyses, models and other records, are the property of the Company and may not be removed, disclosed, copied or otherwise used except with prior authorization.

Each Director shall take an Oath of Allegiance and Office in the form attached as Schedule

“B” upon taking office whereby he or she will solemnly swear to treat as confidential any information obtained regarding the Corporation’s affairs.

6. PUBLIC COMMENT

Directors acknowledge that the Corporation’s position in respect of its business, affairs, policies and operations must be presented accurately and consistently to the public. In order to achieve this result, the Directors shall comply with the Corporation’s Communications Protocol. In particular, the following guidelines shall apply to public statements and disclosures made by the Directors relating to the Corporation:

- (a) Members of the Board of Directors should speak publicly on behalf of the Corporation to external parties only when specifically requested to do so by the Board Chair or the Chief Executive Officer. In such circumstances only the designated spokesperson(s) shall be authorized to issue related statements or make comments on behalf of the Corporation.
- (b) In no event will a Director comment on or make any disclosure relating to any matter pertaining to the Corporation where such comment or disclosure would potentially breach confidentiality or other obligations or standards set out in this Code or in the Corporation’s Conflict of Interest Policy.

7. FUNDAMENTAL RIGHTS

The Corporation is committed to providing all Directors, officers and employees with an environment that respects their basic human rights and that is free from discrimination and harassment. Each Director is responsible for taking all reasonable precautions to not demonstrate behaviour that can be reasonably construed as discrimination or harassment. Directors are encouraged to report all incidents of discrimination and harassment to the Code Advisor.

8. PERSONAL AND FAMILY RELATIONSHIPS

A Director who has a personal or family relationship with another Director, officer, or employee of the Corporation, or with a party doing or seeking to do Business with the Corporation, that could affect the credibility of the Corporation or the actions of the Director should inform the Code Advisor of this matter.

A Director who has a personal or family relationship with another Director, officer or employee of the Corporation must take steps to ensure that the relationship will not affect the credibility or reputation of the Corporation.

9. SEEKING CLARIFICATION

Directors should refer enquiries relating to this Code or its application to the Code Advisor. All disclosures to the Code Advisor shall be kept strictly confidential unless, in the opinion of the Code Advisor, the matter disclosed could adversely affect the Corporation, another Director, officer or employee of the Corporation or the general public.

10. DISCLOSURE OF WRONGDOING FOR BREACHES OF CODE

Directors are required to report to the Code Advisor:

- (a) the conduct of another Director, officer or employee of the Corporation whom the Director has reasonable grounds to believe has done something unethical or illegal; and
- (b) breaches of this Code, including violations of laws, rules, regulations or the Corporation's policies.

11. FAILURE TO COMPLY

A Director's breach of the Code could result in significant, irreparable damage to the Corporation's reputation and commercial interests, jeopardizing the successful implementation of the Regional Transportation Plan as set out in the Act. In addition, breach of the Code may expose the Corporation to liability, including claims from third parties. A Director or Officer may be personally liable for a wilful or bad faith breach of the Code.

Where a Director's conduct constitutes a breach of the Code, the Chair or the Code Advisor may also recommend to the Board that it make a recommendation to the Minister or other appropriate person that the Director be removed from office.

12. WAIVERS FROM CODE

In extraordinary circumstances and where it is clearly in the Corporation's best interest to do so, the Code Advisor may waive compliance with a requirement under this Code for a Director. Conditions may attach to such a waiver. The Director granted the waiver accepts that public disclosure of the granting of any such waiver may be required by applicable laws, regulations, policies or guidelines.

13. POST-DIRECTORSHIP

Directors must adhere to the Code, as applicable, after leaving office.

14. REVIEW OF CODE

The Board shall review and reassess the adequacy of the Code periodically and make such amendments to the Code as the Board may deem appropriate.

Approved by the Board of Directors on June 25, 2020.

SCHEDULE "A"

ANNUAL ATTESTATION

I acknowledge that I have received a copy of the *Code of Business Conduct and Ethical Behaviour for Directors* from Metrolinx.

I have read the above-mentioned Code and agree to abide by the standards set out therein.

The provisions of the Code are in addition to any obligation imposed upon me by agreement, common law, statute or regulation.

Director's signature

Director's name (type or print)

Date

SCHEDULE "B"



OATH OF ALLEGIANCE & OATH OF OFFICE

I, **[INSERT NAME]**, do swear (or solemnly affirm) that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second, her heirs and successors according to the law. *[Note: May be omitted by a public servant who identifies as an Indigenous person and who asserts that making the oath or affirmation would be inconsistent with their views regarding the relationship between the Crown and Indigenous peoples.]*

AND I, [INSERT NAME], do also swear (or solemnly affirm) that I will faithfully discharge my duties as a public servant and will observe and comply with the laws of Canada and Ontario, including the recognition and affirmation of the aboriginal and treaty rights of Indigenous peoples in the Constitution; and, except as I may be legally authorized or required, I will not disclose or give to any person any information or document that comes to my knowledge or possession by reason of my being a public servant.

So help me God. *(Omit this phrase in an affirmation).*

SWORN/AFFIRMED before me

at the City of Toronto

in the Province of Ontario

This day of , 20 .

Signature of Declarant

Signature of Clerk of the Executive Council,
Deputy Minister, or person designated by them