

# Edmonton Screen Industries Office

POLICY NO. BD001

## BOARD MEMBER ETHICS AND CODE OF CONDUCT

### Policy Statement

This Ethics Policy is intended to ensure that the activities of ESIO and the business affairs and operations of its associated entities (collectively referred to herein as "ESIO"), are conducted lawfully, with integrity and in an honest, fair, and responsible manner. Acting ethically, professionally and responsibly creates value for all ESIO's stakeholders, including its members, customers, and employees, and each ESIO Board Member is expected to act in a way that supports or enhances ESIO's reputation.

ESIO's credibility and reputation for integrity and "doing the right thing" is built on a foundation of operational excellence, strong corporate values, high ethical standards, lawful conduct and corporate responsibility.

### APPLICATION

- I. In this policy
  - (i) "Board Chair" means the Chair of the Society
  - (ii) "Board Member" means a member of the Board of Directors including the Chair and includes every member of a Committee established by the Board whether a member of the Board of Directors or a committee of the Board.
2. This Policy applies to all Board Members and compliance with this Policy is a condition of every Board Member's ongoing service.
3. This Policy incorporates other ESIO policies by reference to provide an overall framework and easy reference for the behaviour expected of ESIO Board Members, but this Policy does not supersede the provisions of those other policies.
4. It is not intended that there be any waivers to this Policy. In the unlikely event that a waiver is considered necessary, however, it must receive prior written approval by the Board Chair in respect to an ESIO Board Member or by the Board in respect of the Board Chair.
5. A valid decision by the Board may only be made at a duly convened meeting at which a quorum is present.
6. No policy can anticipate every situation that may arise. This Policy sets out fundamental principles to guide Board Member conduct generally and covers a wide range of business practices, activities and situations. It does not describe every circumstance that may be subject to the Policy. Ultimately, personal judgment must be relied upon to determine the appropriate behaviour required to maintained personal and corporate integrity.

### FUNDAMENTAL RULES

#### Compliance with Law

7. ESIO strives to conduct its business in compliance with the letter and spirit of all applicable laws, regulations, and regulatory requirements. Moreover, many of ESIO's activities are subject to complex and changing laws. Accordingly, Board Members must diligently endeavor to

## Edmonton Screen Industries Office

remain aware of, and ensure that their conduct does not contravene, laws applicable to their position at ESIO. Whenever Board Members are unsure about the application or interpretation of any legal requirement, or if uncertainty arises as to whether a course of action is lawful, they should refer the matter to the Chief Executive Officer, who will consult the ESIO's legal representatives for guidance. ESIO will inform Board Members in respect of material changes in law and regulations applicable to ESIO business.

### Conflict of Interest

8. A conflict of interest arises in any situation in which a Board Member's obligations to serve the best interests of ESIO could be adversely affected by other personal interests, including the interests of their family members. Activities that could compromise the judgment or objectivity of a Board Member in their performance of their duties should therefore be avoided.
9. If a Board Member believes he or she may have a conflict of interest, the Board Member should follow the procedures set out in the ESIO Bylaws and ESIO policies regarding disclosure. If the Board Member is also a Board Member of an associated entity, the Board Member should follow the procedures set out in the related policies of the associated entity. Sections 9 to 13 may provide useful guidance for Board Members.
10. The following is a list of some specific examples of conflicts of interest for the guidance of Board Members:
  - (i) Financial Interest - Board Members or their families shall not own or control or have a financial interest in a supplier, contractor, competitor, or any other business enterprise which does business with ESIO.
  - (ii) Corporate Opportunities - Board Members are prohibited from taking personal advantage of opportunities discovered using ESIO assets, property or information. Board Members shall not use or deploy ESIO assets, property, information or their position or employment status with ESIO for personal gain, including but not limited to, obtaining discounts or rebates, other than those available through authorized ESIO programs. Board Members are prohibited from competing with ESIO and its associated entities.
  - (iii) Outside Business Activities - Board Members shall not engage in any outside business or activity that is detrimental to ESIO in any way. Board Members may not participate in secondary involvements when the secondary involvement interferes with the Board Member's performance of his or her duties, availability or performance of ESIO's requirements, results in any personal benefit or causes the Board Member to act in any capacity for a supplier, contractor, sub-contractor, customer, competitor or any other entity with which ESIO does business or creates the appearance of an ethical or legal conflict of interest. Board Members shall not use their affiliation with ESIO to further their non-ESIO-related activities or business relationships.
  - (iv) Outside Board Memberships - Board Members shall not serve as a Board Member, officer, partner, consultant or any other role in unaffiliated profit-making organizations or not-for-profit organizations if that activity is detrimental to ESIO. An activity is detrimental to ESIO if it may adversely affect the reputation of ESIO or its associated entities.

## Edmonton Screen Industries Office

- (v) Gifts and Entertainment - Board Members must be prudent when offering and accepting gifts (including tickets to sporting, recreational or other events) to or from a person or entity with which ESIO does or seeks to do business. In any event, no gift shall be accepted over \$250 in value without providing prior notice to the Chief Executive Officer and a Disclosure Form, as provided in Schedule 1, shall be completed for any such gift. Completed Disclosure Forms are kept on file in the Chief Executive Officer's office. Board Members and the ESIO's auditors may review the forms at any time.
  - i. Regardless of value, Board Members must not accept or give any gift, benefit or other favor, which may be perceived as being provided in exchange for a favor or advantage to a third party carrying on business with ESIO.
- 11. Where approved business practice allows, Board Members may furnish and/or accept gifts, tokens, mementos, favors and entertainment to customers or business associates. However, any such gift, favor or entertainment shall not contravene any law, or be in the form of cash, bonds, or negotiable securities that may be interpreted as a bribe, payoff, commission or any other improper payment.
- (vi) Customer and Supplier Relations - all customers, suppliers and independent contractors purchasing or furnishing goods and services must be dealt with fairly. Decisions to hire a subcontractor or purchase materials from a particular vendor must be verifiably made on the basis of objective criteria and be consistent with ESIO Policies.

### Confidential information

- 11. During their service, Board Members have access to information which is confidential, privileged, commercially sensitive or which may be damaging to ESIO if improperly disclosed. Board Members may also have access to the confidential information of individuals or companies with which the associate entities do, or seek to do, business. Board Members must protect the confidentiality of all such information, both during and after their service with ESIO.
- 12. All information, data, inventions, discoveries, and copyright material, made or developed in the course of ESIO business activity is the exclusive property of ESIO unless a written release is obtained or covered by contract. Information regarding such matters is considered confidential unless business practice requires disclosure to the public or counterparties. Board Members must not disclose any associated entity's business strategies and plans, special methods of operation, technical innovations, or any other information that may be of value to competitors of ESIO for personal gain or advantage or any other reason.
- 13. Board Members have a duty to safeguard confidential or proprietary information against unauthorized external or internal access, disclosure or loss. It is each Board Member's personal responsibility to take proper measures in safeguarding ESIO information, including information contained in personnel files, personal computers, ESIO laptop computers, cloud services or any other electronic information storage device.

# Edmonton Screen Industries Office

## Timely, Fair and Accurate Financial Disclosure

14. ESIO is committed to providing timely, fair and accurate public disclosure of all its material information and accordingly employs internal controls to prevent or detect improper accounting or reporting activities.
15. No false, artificial or misleading entries in the books, records and documents of ESIO shall be made for any reason and no personnel shall engage in any arrangement that results in such prohibited acts. All periodic reports and core public documents filed by ESIO will be prepared based on full, fair, accurate and timely disclosure.
16. Board Members are encouraged to disclose to the Chair, Audit and Finance Committee, any suspected wrongdoing relating to accounting, reporting and auditing matters within ESIO. Board Members may do so confidentially without fear of reprisal. Board Members must report instances of suspected improper accounting and accounting-related activities arising out of the following areas:
  - (i) financial accounting malpractice or impropriety or fraud;
  - (ii) failure to comply with a legal reporting obligation;
  - (iii) misrepresentation in the financial records and statements;
  - (iv) endorsement of improper financial activities by management, external auditors or internal auditors;
  - (v) improper business conduct affecting the outcome of financial transactions;
  - (vi) departures from the significant accounting and financial policies without explanation or authorization; and
  - (vii) attempts to conceal any of the above.

## Theft or Inappropriate Use of ESIO Assets and Resources

17. All Board Members are responsible for protecting ESIO assets, and must observe internal controls to safeguard ESIO assets against loss from unauthorized or improper use or sale of ESIO's:
  - (i) Resources - ESIO resources include ESIO time, materials, supplies, equipment, vehicles, tools, information, relationships, electronic mail and computer systems. These resources are generally only to be used for ESIO-specific purposes;
  - (ii) Name - Board Members must not use ESIO's name or purchasing power to obtain personal discounts or rebates unless the discounts are made available to all Board Members;
  - (iii) Computer resources - using ESIO computer resources to view, retrieve or send sexually explicit or pornographic messages or material, violent or hate-related messages or material, discriminatory or other offensive messages or other messages or material related to illegal activities is strictly prohibited; and
  - (iv) Internet, Intranet and Email - ESIO computer networks and information resources include electronic mail and messaging system, internal Intranet and the public Internet. Computer resources and networks are provided for ESIO-related business purposes and may not be used to retrieve or send sexually explicit or pornographic

# Edmonton Screen Industries Office

messages or material, violent or hate-related messages or material, discriminatory or other offensive messages, on-line gambling or other messages or material related to illegal activities. Excessive personal use of any nature is inappropriate.

18. In protecting ESIO's resources, ESIO reserves the right to monitor access and contents of ESIO's computer systems, computers, electronic storage devices and networks. Board members do not have any right to privacy, except for their personal information, of electronic data residing on ESIO's computer resources and/or telecommunication systems and devices.

## **Environment, Health and Safety Stewardship**

19. ESIO is committed to providing a safe and healthy working environment and protecting the public interest with standards and programs that meet or exceed industry standards and applicable government codes, standards and regulations where ESIO does business.
20. All ESIO operations are to be conducted in a manner that seeks to protect the health and safety of Board Members and the communities in which ESIO operates. All ESIO Board Members are responsible for supporting ESIO's commitment to environmental responsibility.
21. ESIO is committed to providing and maintaining a workplace that ensures that all staff are treated with dignity and respect.

## **Privacy**

22. ESIO protects the privacy of its Board Members', employees', business partners' and customers' personal information. Personal information is any information about an identifiable Board Member, employee, business partner or customer that is recorded in any form or medium, other than business contact information when used for valid business reasons.
23. Any question or concern about privacy may be directed to the Chief Executive Officer.

## **Political Activity and Public Statements**

24. Provisions related to participation of Board Members in political activities are set out in other ESIO policies.

## **Seeking Guidance and Asking Questions**

25. ESIO encourages its Board Members to educate themselves about ethics and to ask questions whenever they encounter a situation that raises ethical questions they cannot readily answer. Any question or concern about ethics may be discussed with the Chief Executive Officer who may engage the ESIO's legal counsel for advice.
26. Questions and concerns raised with the Chief Executive Officer will be treated as confidential, upon request, subject to any legal disclosure obligations.

## **Ethics and Conduct Committee**

## Edmonton Screen Industries Office

27. The Ethics and Conduct Committee is hereby created to conduct hearings into any alleged contravention of this Policy or any other alleged ethical misconduct by a Board Member.
28. The Ethics and Conduct Committee shall be comprised of all Board Members. The Chair shall serve as Chair of the Ethics and Conduct Committee.
29. At the first meeting in each term of office, the Board shall convene as the Ethics and Conduct Committee and shall appoint three of its members (other than the Chair) to serve as Complaint Officers. Complaint Officers shall be assigned responsibility for a four-month period with the term of the third Complaint Officer being lengthened or shortened as required to reach the next Annual General Meeting. The Ethics and Conduct Committee shall also appoint one of its members to serve as Vice Chair.
30. The role of a Complaint Officer is to receive and review any complaints made by a Board Member regarding any alleged contravention of this Policy or any other alleged ethical misconduct by another Board Member.
31. Any complaint submitted to a Complaint Officer must be:
  - i. Submitted to the Complaint Officer assigned responsibility at the time the complaint is submitted;
  - ii. In writing and accompanied by relevant supporting documentation including the names of any witnesses and a summary of their information;
  - iii. Dated and signed by the Board Member submitting the complaint.
32. Any complaint not meeting all of the criteria described above will not be accepted and will be returned to the Board Member submitting the complaint.
33. If a Complaint Officer receives a complaint meeting all of the criteria described above, the Complaint Officer will determine whether the allegations, if true, would constitute a contravention of this Policy or any other ethical misconduct by the subject of the complaint. By doing so, the Complaint Officer is not making any determination whether the allegations are, in fact, true.
34. If a Complaint Officer determines that the allegations, if true, would constitute a contravention of this Policy or any other ethical misconduct by the subject of the complaint, the Complaint Officer shall refer the complaint to the Ethics and Conduct Committee for a hearing.
35. If a Complaint Officer determines that the allegations, if true, would not constitute a contravention of this Policy or any other ethical misconduct by the subject of the complaint, the Complaint Officer shall dismiss the complaint and notify the Board Member submitting the complaint of this decision in writing.
36. Decisions of the Complaint Officer are final and may not be appealed.
37. In the event the subject of a complaint is the Complaint Officer assigned responsibility at the time the complaint is submitted; the complaint may be submitted to either of the other two Complaint Officers appointed for that year.
38. A complaint referred to the Ethics and Conduct Committee by a Complaint Officer for a hearing shall be provided to the Chair. If the Chair is the subject of the Complaint, then the Complaint shall be provided to the Vice Chair.
39. Upon receipt of a complaint referred to the Ethics and Conduct Committee for a hearing the Chair or Vice Chair as the case may be shall:
  - i. Arrange for a time and date for a hearing to be held into the allegations (the dates will be at least four weeks in the future);
  - ii. Notify the Board Member submitting the complaint in writing of the time and date for the hearing;

## Edmonton Screen Industries Office

- iii. Notify the subject of the complaint in writing of the time and date for the hearing and provide the subject of the complaint with a copy of everything provided to the Complaint Officer by the Board Member submitting the complaint;
  - iv. Advise the subject of the complaint in writing that they may submit any relevant material in support of their case to the Ethics and Conduct Committee but that such materials, including the names of any witness and a summary of their information must be received at least two weeks prior to the hearing date; and
  - v. Advise all other members of the Ethics and Conduct Committee in writing of the time and date for the hearing.
40. Unless the Ethics and Conduct Committee decides otherwise, all hearings of the Ethics and Conduct Committee shall be held at the ESIO office in Edmonton, Alberta.
41. At least one week prior to the hearing date the Chair or Vice Chair as the case may be shall provide to each member of the Ethics and Conduct Committee:
- i. A copy of everything provided to the Complaint Officer by the Board Member submitting the complaint; and
  - ii. A copy of anything provided by the subject of the complaint in support of his or her case.
42. The Chair or the Vice Chair as the case may be shall preside at the hearing. All members of the Ethics and Conduct Committee are entitled to sit on the panel conducting the hearing and to vote except:
- i. The Board Member submitting the complaint;
  - ii. The subject of the complaint; and
  - iii. Any Board Member choosing to appear as a witness for either the complainant or the subject.
43. The Procedure at any hearing of the Ethics and Conduct Committee shall be as follows:
- i. The Chair or Vice Chair as the case may be shall open the hearing and provide a summary of the allegations against the subject of the complaint;
  - ii. The Board Member submitting the complaint will present their case including a review of any materials, any oral submissions and any witnesses agreeing to support their case;
  - iii. Members of the Ethics and Conduct Committee may ask questions for clarification to the complainant and any witnesses through the Chair or Vice Chair as the case may be;
  - iv. The subject of the complaint will present their case including a review of any materials, any oral submissions, and any witnesses agreeing to support their case;
  - v. Members of the Ethics and Conduct Committee may ask questions for clarification to the subject of the complaint and any witnesses through the Chair or Vice Chair as the case may be;
  - vi. The Board Member submitting the complaint will have a maximum of 10 minutes to summarize their presentation;
  - vii. The subject of the complaint will have a maximum of 10 minutes to summarize their presentation;
  - viii. The Chair or Vice Chair as the case may be will close the hearing and the members of the panel conducting the hearing shall go in camera to reach a decision.

## Edmonton Screen Industries Office

44. Only members of the Ethics and Conduct Committee and any party appearing to make a presentation are entitled to be present at the hearing. The Chair or Vice Chair as the case may may allow for others including staff to be present if desirable for the conduct of the hearing.
45. The Board Member submitting the complaint and the subject of the complaint are entitled to be present at all times during the hearing until it is declared closed. They are also entitled to be present when any decision is announced. They are not entitled to be present during deliberations.
46. In reaching a decision whether the subject of the complaint contravened this Policy or was guilty of other ethical misconduct a  $\frac{3}{4}$  majority vote of the panel conducting the hearing is required.
47. At the conclusion of deliberations, the Ethics and Conduct Committee shall reconvene, and the Chair or Vice Chair as the case may be shall announce the decision.
48. The Ethics and Conduct Committee may decide:
  - i. The material presented did not satisfy the Ethics and Conduct Committee that there was a contravention of this Policy or other ethical misconduct; or
  - ii. The material presented supported only a very technical or insignificant contravention of this Policy or at most trivial ethical misconduct and in the circumstances no sanctions are warranted; or
  - iii. The material presented did satisfy the Ethics and Conduct Committee that there was a contravention of this Policy or other ethical misconduct and that sanctions are warranted.
49. In either of the first two circumstances above, the complaint shall be dismissed. In the third circumstance, the Ethics and Conduct Committee shall confirm the complaint and proceed to impose one or more permitted sanctions.
50. The permitted sanctions are as follows:
  - i. Censure of the Board Member;
  - ii. A requirement for an apology from the Board Member;
  - iii. Removal of the Board Member from the Board; or
  - iv. Suspension of the Board Member from the Board for a period of time.
51. Decisions of the Ethics and Conduct Committee are final and may not be appealed.

### **No Retaliation**

52. ESIO will not allow or pursue retaliation of any kind against any Board Member who reports a violation or ethical concern or makes a complaint. No Board Member will be threatened (either overtly or implied) or adversely affected by retaliation or retribution, because of a concern or complaint, participation in an investigation into a complaint or refusing to engage in unethical behaviour. Reports and complaints may be made without fear of reprisal.

### **Good Faith Complaints**

53. All reports and complaints are expected to be made in good faith.

### **Certification**

54. It is essential that all Board Members understand and adhere to this Policy. Board Members are required to certify in writing that they have reviewed and understand the Policy and to agree to be bound by this Policy as a condition of their service on the Board.



# Edmonton Screen Industry Organization

## Policy Review

55. This policy will be reviewed at least annually by the Chief Executive Officer and Ethics and Conduct Committee and any recommendations for change to the policy must be approved by the Board.
56. Any changes made to the policy will be communicated to Board Members.



Chair ESIO



Chief Executive Officer ESIO

DISCLOSURE STATEMENT  
CONFLICT OF INTEREST

For the period ending \_\_\_\_\_ as a representative of the Edmonton Screen Industry Organization, I have attended the following events or functions for which attendance was valued at more than \$250.00 or I have received a gift valued at more than \$250.00

<u>Description of the event or gift</u>	Value	Date

I certify that this disclosure statement is accurate and complete

-----  
Name