

CODE OF CONDUCT FOR DIRECTORS

1. Scope

The *Canada Infrastructure Bank Act* provides that the board of directors (the “**Board**”) of the Canada Infrastructure Bank (“**CIB**”) is composed of the Chair and no fewer than eight, but no more than 11, other directors. The Chair of the Board is appointed by the Governor in Council to hold office during pleasure for a term that the Governor in Council considers appropriate. All other directors are appointed by the Governor in Council to hold office during pleasure for terms not to exceed four years in a manner that will ensure, to the extent possible, that the terms of not more than one half of the directors expire in any one year.

This Code of Conduct (“**Code**”) applies to all directors. The principles outlined in this Code are intended to:

- codify the standards of conduct by which all directors are expected to follow in the exercise of their duties as directors of the CIB;
- foster a culture of honesty and accountability; and
- promote public confidence and trust in the integrity, objectivity and impartiality of the CIB.

No code can offer a complete guide to cover all possible situations that may occur. Every director must exercise judgment in applying the standards of conduct to any particular situation. It is the individual responsibility of every director to comply with this Code and respect the mandates and policies that apply to directors. Directors are encouraged to consult with the Chair of the Board or the Corporate Secretary for guidance.

Directors are designated as “Public Office Holders” under the *Conflict of Interest Act*. This Code supplements and should be read together with the *Conflict of Interest Act*. Appendix A to this Code contains excerpts from the *Conflict of Interest Act* that are relevant to the conduct of directors and have been incorporated by reference in this Code.

Moreover, directors are expected to adhere to the *Guidelines for the Political Activities of Public Office Holders* released by the Privy Council Office on November 27, 2015.¹

2. Expected Standards of Conduct and Ethical Behaviour

Directors in exercising their powers and in discharging their duties must comply with the provisions of the *Canada Infrastructure Bank Act*, the *Financial Administration Act* (Canada), the *Conflict of Interest Act* and any other applicable laws, regulations, by-laws, resolution, guidelines and policies governing their conduct.

Directors must uphold the highest standards of ethical behaviour and business conduct, so that public confidence and trust in the integrity, objectivity and impartiality of the CIB are conserved and enhanced. Directors must avoid any situation which could be perceived as improper or indicate a casual attitude towards compliance with laws, regulations or this Code.

Every director must act honestly, in good faith, and in the best interests of the CIB. In placing the interests of the CIB ahead of their own personal or business interests, every director must:

- (a) be honest in their dealings within the CIB and with others on behalf of the CIB;

¹ Available on the Open and Accountable Government Webpage (Prime Minister’s Office)
https://pm.gc.ca/en/news/backgrounders/2015/11/27/open-and-accountable-government#Part_II

- (b) avoid situations where they could profit at the expense of the CIB, or otherwise put themselves in a position of conflict between their own private interests and the best interests of the CIB;
- (c) abstain from taking advantage of business opportunities that belong to the CIB and have come to the attention of the directors by virtue of their office;
- (d) avoid speaking against or undermining any decision of the Board, regardless of whether the director agrees with or votes for that decision; and
- (e) respect the roles of the Chair of the Board and Chief Executive Officer, who are the official spokespeople of the CIB, and avoid engaging in activity or speaking publicly on matters where this could be perceived as an official act or representation of the CIB unless specifically authorized to do so by the CIB.

Every director owes a duty of care to the CIB and must exercise the degree of diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3. Confidentiality

Every director owes a duty to preserve and protect the confidential information of the CIB. This duty of confidentiality continues even after the director no longer serves on the Board. Every director:

- (a) must take and implement all appropriate actions to protect the confidential information in the same way and with the same degree of care as if this confidential information belonged to them or at least in the same manner as a reasonable person would act in its regards;
- (b) must not disclose confidential information to anyone other than persons who are authorized to receive the information; and
- (c) is responsible for taking all reasonable measures to protect the confidentiality of the information to which he or she has access.

The director's duty of confidentiality applies to all information about the CIB's business, including business plans, agreements, lists of potential proponents and investors, databases, trade secrets, intellectual property as well as information about competitive and strategic matters.

Directors may only disclose confidential information when required by law, in such cases the director should provide advanced notice of the upcoming disclosure to the Chair of the Board and the Chief Executive Officer.

4. Conflicts of Interest

Every director must comply in all respects with the *Conflict of Interest Policy for Directors* (the "**Conflict of Interest Policy**") adopted by the Board, which is incorporated by reference and forms part of this Code.

Every director must arrange his or her private affairs in a manner designed to avoid any situation in which there is, or may appear to be, a potential conflict of interest. If a conflict of interest does arise between the private interests of a director and the responsibilities of that director to the CIB, the director must immediately take steps to resolve the conflict in a manner satisfactory to the CIB.

The CIB requires full disclosure of all circumstances that could conceivably be construed as a conflict of interest. Every director must, immediately upon becoming aware of a potential conflict of interest, disclose in writing to the Chair of the Board and the Corporate Secretary. If a director is in doubt whether a situation involves a potential conflict of interest, the director must immediately seek the advice of the Chair of the Board or the Corporate Secretary or, where appropriate, seek legal advice.

Every director is required to disclose the nature and extent of any conflict of interest at the first meeting of the Board after which the facts leading to the conflict have come to the director's attention. After disclosing the conflict, the director:

- (a) must not take part in the discussion of the matter or vote on any questions in respect of the matter;
- (b) must immediately leave the meeting and not return until all discussion and voting with respect to the matter giving rise to the conflict is completed; and
- (c) must not attempt, in any way or at any time, to influence the discussion or the voting of the Board on any question relating to the matter giving rise to the conflict.

Where it may be impractical for a director who serves as a director or officer of another entity to know that the entity is entering into a contract or transaction with the CIB, it is sufficient for the director to deliver a general notice to the Chair of the Board and the Corporate Secretary, declaring that he or she is a director or officer or has an interest in an entity and is to be regarded as interested in any contract or transaction made with that entity.

5. Personal and Family Relationships

A director who has a personal or family relationship with another director, officer, or employee of the CIB that could affect the credibility of the CIB or the actions of the director must inform the Chair of the Board of this matter.

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

6. Outside Business Activities

Every director must declare possible conflicting outside business activities at the time of appointment. Notwithstanding any outside business activities, directors are required to act in the best interests of the CIB.

A director who intends to accept a position with any organization that could lead to a conflict of interest or situation prejudicial to the CIB's interests, must discuss the implications of accepting such a position with the

Chair of the Board recognizing that acceptance of such a position may require the director's resignation from the Board.

7. Gifts and Other Advantages

A “gift or other advantage” is defined in the *Conflict of Interest Act* as:

- (a) an amount of money if there is no obligation to repay it; and
- (b) a service or property, or the use of property or money that is provided without charge or at less than its commercial value.

Gifts or other advantages can take many forms, including meals, accommodation, travel, entertainment and recreation (tickets, passes, etc.), gratuities, business courtesies, transportation, payments, preferential pricing, gift certificates, memberships, discounted sporting or cultural event tickets, and any other similar products, services or benefits.

A director or family member may not accept any gift or other advantage that might reasonably be seen to have been given to influence the director in the exercise of an official power, duty or function, unless

- (a) it is within the bounds of propriety, a normal expression of courtesy or within the normal standards of hospitality or other benefits of nominal value; or
- (b) it is provided by the CIB.

Gifts or other advantages in excess of normal standards should be refused, where possible, or disclosed to the Chair of the Board. The Chair of the Board may require that the benefit, or its reasonable equivalent, be turned over to the CIB for appropriate disposition, devoted to charitable purposes or otherwise disposed of by the director.

8. Use of the CIB's Property

Directors must make appropriate use of the CIB's property made available to them for the performance of their duties and should not make significant use of these resources for their own personal benefit or purposes.

Directors should ensure all CIB property that may be assigned to them is maintained in good condition and should be able to account for such property. Directors may not dispose of CIB property except in accordance with the guidelines established by the CIB. A director requiring advice, information or assistance in the retention or disposal of CIB property should contact the General Counsel & Corporate Secretary.

9. Insider Trading and Tipping

As part of their duties to the CIB, a director may obtain access to material undisclosed information in relation to an issuer before this information announced to the public. It is illegal for any director to trade in the securities of any issuer based on material undisclosed information obtained through their duties to the CIB, or to pass the material undisclosed information on (called “tipping”), intentionally or not, to someone who may then trade in securities of the issuer based on the provided material undisclosed information. Additional guidance on this responsibility is provided in the *Insider Trading and Tipping Policy* approved by the Board.

10. Reporting Violations

Every director is expected to report any violation of this Code, including violations of laws, rules, regulations of the CIB's policies, which that director becomes aware of or has reasonable grounds for believing has occurred. Reports of any violations must be delivered in person or in writing to the Chair of the Board or the Chair of the Governance Committee. The CIB shall not allow any retaliation against a director who acts in good faith in reporting any such violations.

The Governance Committee will conduct a confidential investigation of any reported violations and shall recommend to the Board an appropriate response, including corrective action and preventative measures as deemed appropriate.

A director found to have breached his or her duty by violating the Code will be liable to censure or a recommendation to the Minister that the director be removed from office.

11. Waivers

In extraordinary circumstances, a situation may arise that warrants a waiver of one or more provisions of this Code. A director who believes that a waiver may be appropriate should first consult with the Chair of the Board. However, a waiver may only be granted by the Board or the Governance Committee to whom authority to grant such waivers is delegated by the approval of this Code. The director granted the waiver accepts that public disclosure of the waiver may be required by applicable laws, regulations, policies or guidelines.

12. Acknowledgment

Every director is expected to read and become familiar with the Code and the conflict of interest rules in the *Financial Administration Act* and the *Conflict of Interest Act*. To acknowledge their commitment to abide by the provisions of the Code, each director must sign the written form attached as Appendix "B" to this Code.

13. Review and Approval

This Code will be reviewed annually by the Governance Committee, which shall make recommendations to the Board regarding changes to the Code as deemed appropriate.

This Code was last reviewed and approved by the Board on February 2, 2021.

Appendix "A" to the Code of Conduct for Directors

Excerpts from the *Conflict of Interest Act*, S.C. 2006, c. 9, s. 2

Conflict of Interest

4. For the purposes of this Act, a public office holder is in a conflict of interest when he or she exercises an official power, duty or function that provides an opportunity to further his or her private interests or those of his or her relatives or friends or to improperly further another person's private interests.

General Duty

5. Every public office holder shall arrange his or her private affairs in a manner that will prevent the public office holder from being in a conflict of interest.

Decision-making

6. (1) No public office holder shall make a decision or participate in making a decision related to the exercise of an official power, duty or function if the public office holder knows or reasonably should know that, in the making of the decision, he or she would be in a conflict of interest.

Preferential treatment

7. No public office holder shall, in the exercise of an official power, duty or function, give preferential treatment to any person or organization based on the identity of the person or organization that represents the first-mentioned person or organization.

Insider information

8. No public office holder shall use information that is obtained in his or her position as a public office holder and that is not available to the public to further or seek to further the public office holder's private interests or those of the public office holder's relatives or friends or to improperly further or to seek to improperly further another person's private interests.

Influence

9. No public office holder shall use his or her position as a public office holder to seek to influence a decision of another person so as to further the public office holder's private interests or those of the public office holder's relatives or friends or to improperly further another person's private interests.

Gifts and other advantages

11. (1) No public office holder or member of his or her family shall accept any gift or other advantage, including from a trust, that might reasonably be seen to have been given to influence the public office holder in the exercise of an official power, duty or function.

(2) Despite subsection (1), a public office holder or member of his or her family may accept a gift or other advantage

- (a) that is permitted under the *Canada Elections Act*;
- (b) that is given by a relative or friend; or
- (c) that is received as a normal expression of courtesy or protocol, or is within the customary standards that normally accompany the public office holder's position.

(3) When a public office holder or a member of his or her family accepts a gift or other advantage referred to in paragraph (2)(c) that has a value of \$1,000 or more, the gift or other advantage is, unless otherwise determined by the Commissioner, forfeited to Her Majesty in right of Canada.

Contracting

14. (1) No public office holder who otherwise has the authority shall, in the exercise of his or her official powers, duties and functions, enter into a contract or employment relationship with his or her spouse, common-law partner, child, sibling or parent.

Fundraising

16. No public office holder shall personally solicit funds from any person or organization if it would place the public office holder in a conflict of interest.

Anti-avoidance

18. No public office holder shall take any action that has as its purpose the circumvention of the public office holder's obligations under this Act.

Condition of appointment or employment

19. Compliance with this Act is a condition of a person's appointment or employment as a public office holder.

Appendix "B" to the Code of Conduct for Directors

ACKNOWLEDGEMENT

I acknowledge that as a member of the Board I have received a copy of the Code of Conduct for Directors and the Conflict of Interest Policy for Directors (together the "**Code**") from the Canada Infrastructure Bank and the conflict of interest rules in the *Financial Administration Act* and the *Conflict of Interest Act*.

I have read the above-mentioned Code and agree to abide by its provisions.

Director's signature

Director's name (type or print)

Date