

July 24, 2025

**Federation of Canadian Municipalities**

**Code of Ethical Conduct**

for FCM Directors, Officers and Committee Members

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## FCM Code of Ethical Conduct

### **1. PURPOSE AND APPLICATION**

- 1.1 The Federation of Canadian Municipalities (FCM) wishes to uphold FCM's values and practices of ethical conduct in all its corporate affairs and activities. The purpose of this FCM Code of Ethical Conduct is to foster a climate of honesty, truthfulness and integrity and define the standards of ethical conduct that apply to all persons who are subject to it.
- 1.2 This Code is intended to focus FCM Officials (as defined below) on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and deter wrongdoing. No code can replace the thoughtful behaviour of any person or anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles and not absolute directives.
- 1.3 The FCM Code of Ethical Conduct applies to FCM Directors, Officers and Committee Members ("**FCM Officials**"). Notwithstanding the foregoing, any FCM Official who is also an employee of FCM shall be subject to the FCM code of conduct for employees and any applicable complaint made against such an employee shall be dealt with in accordance with the FCM code of conduct for employees rather than this Code.
- 1.4 The FCM Code of Ethical Conduct does not apply to the conduct of a FCM Official in their personal life, except to the extent that such conduct reasonably undermines, or has the potential to reasonably undermine, public confidence in the governance of the FCM.

### **2. DEFINITIONS**

In this Code, unless the context otherwise requires:

- 2.1 "**Act**" means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23 including the regulations made pursuant to the Act, and any statute or regulations that may be substituted therefor, as amended from time to time.
- 2.2 "**Articles**" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement, or revival of the Corporation.
- 2.3 "**Board**" means the board of directors of FCM.
- 2.4 "**By-laws**" means By-law No. 1 of FCM, which relates generally to the conduct and management of the activities and affairs of FCM, as amended and which is, from time to time, in force and effect.
- 2.5 "**CEO**" means FCM's Chief Executive Officer.

- 2.6 “**Code**” means this FCM Code of Ethical Conduct, as amended and which is, from time to time, in force and effect.
- 2.7 “**Committee Member**” means a Director, a Non-Board Member and any other person serving on any FCM Committee or subcommittee of a FCM Committee, caucus or forum.
- 2.8 “**Complainant**” means a person who has submitted a complaint in accordance with this Code.
- 2.9 “**Complaint**” means a formal allegation that a FCM Official has breached this Code, which has been submitted to FCM in accordance with the procedure set out in section 8 of this Code.
- 2.10 “**Complaint Officer**” means an independent/external person appointed by the Executive Committee to fulfill the duties and responsibilities of that role as set out in this Code.
- 2.11 “**Confidential Information**” means information that is confidential in accordance with section 5.1 of this Code.
- 2.12 “**Director**” means a member of the Board.
- 2.13 “**Elected Municipal Official**” has the meaning ascribed to that term in the By-laws.
- 2.14 “**Executive Committee**” means the executive committee of the Board established pursuant to the By-laws.
- 2.15 “**FCM**” means the Federation of Canadian Municipalities.
- 2.16 “**FCM Officials**” has the meaning ascribed to that term in section 1.3.
- 2.17 “**Gift or Personal Benefit**” means an item or service of value that is received by a FCM Official or their family for their personal use including money, gift cards, tickets to events, clothing, jewelry, pens, food or beverages, discount/rebates on personal purchases, entertainment, participation in sport and recreation activities, and invitations to social functions.
- 2.18 “**GMF Funding Agreement**” means the funding agreement entered into between the Federation and His Majesty the King in Right of Canada (as represented by the Minister of Natural Resources, the Minister of the Environment, and the Minister of Intergovernmental Affairs, Infrastructure and Communities), dated on or about July 5, 2023, as amended from time to time, together with any successor agreement thereof.
- 2.19 “**Non-Board Member**” means an Elected Municipal Official who is not a director.
- 2.20 “**Officers**” means an officer of FCM, as set out in the By-laws.

2.21 “**Person**” means an individual or a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization.

2.22 “**Respondent**” means a FCM Official whose conduct is the subject of a Complaint.

### 3. **COMPLIANCE DUTIES OF FCM OFFICIALS**

3.1 Every FCM Official who is a Director or Officer, in exercising their powers and in discharging their duties, shall:

- (a) act honestly and in good faith with a view to the best interests of FCM; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- (c) comply with the Articles, the Act and the regulations enacted under the Act.

3.2 Every FCM Official shall read and comply with the By-laws, policies, resolutions, and guidelines of FCM, as applicable, including this Code.

### 4. **PRINCIPLES OF ETHICAL CONDUCT**

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

4.1 **Protection of FCM’s Reputation.** FCM’s reputation depends upon FCM Officials’ shared commitment to FCM’s principles of ethical conduct. When performing their duties as FCM Officials, FCM Officials shall conduct themselves in ways that enhance FCM’s reputation with stakeholders and the public at large and protect FCM from image or reputational damage. Where an Elected Municipal Official, who is also a FCM Official, is found by that official’s municipality to have committed an act of misconduct or breached the municipality’s code of conduct, such finding may be considered to expose FCM to image or reputational damage.

4.2 **Act Without Political Partisanship.**

Officers, Directors or Committee Members must avoid any political partisanship while making a decision on issues referred to the Board or speaking on behalf of FCM.

All Officers, Directors or Committee Members who intend to stand as candidates for an elected public office in federal, provincial or territorial order of government must take a leave of absence commencing once they formally declare that they are seeking the nomination, by either filing for nomination or publicly announcing their intention to seek the nomination, and ending the latter of nomination day or election day; and resign if elected.

Notwithstanding the above, an Officer who wants to stand as candidate for an elected public office at the federal level must resign their position once they formally declare that they are seeking the nomination, by either filing for nomination or publicly announcing their intention to seek the nomination.

- 4.3 **No Discrimination or Harassment.** FCM Officials have a responsibility to promote a safe and positive environment and shall act in a manner that is free of violence, discrimination and harassment in accordance with the FCM Harassment Policy.
- 4.4 **Equity, Diversity and Inclusion.** FCM is committed to grounding FCM’s culture, systems, policies and practices in an intersectional, anti-racism and equity lens to challenge issues of race and correct inequities to reflect and improve the lives of communities across Canada. Workplace diversity provides different perspectives and supports opportunity, change and innovation. FCM values individual differences and diversity and promotes, at a minimum, the standards and protection of federal employment equity legislation. FCM Officials shall comply with these principles and those set out in the FCM Anti-Racism and Equity Commitment Statement and deal fairly and ethically with diversity issues and treat people with respect and dignity.
- 4.5 **Truth and Reconciliation with Indigenous Peoples in Canada.** FCM is committed to advancing Reconciliation with Indigenous Peoples in Canada including upholding the findings of the Truth and Reconciliation Commission of Canada, by showing respect for the stories of those who have experienced residential schools and seeking opportunities to advance the Truth and Reconciliation Commission’s 94 Calls to Action. FCM Officials shall comply with these principles and treat Indigenous people with respect and dignity.
- 4.6 **Respectful Communications.** Without limiting the ability of a FCM Official to hold a **position on an issue and respectfully express their opinions, a FCM Official shall:**
- (a) make best efforts to ensure that all communications are accurate and not issue any communication that the FCM Official knows, or ought to have known, to be false;
  - (b) communicate courteously and respectfully with members of the public, other FCM Officials, and FCM employees (including while participating in meetings where FCM business is conducted including receptions, dinners, hospitality or other social events);
  - (c) ensure that all communications issued publicly by, or on behalf of, the FCM Official, including social media, are dignified, respectful and do not discriminate, harass, defame or demonstrate disrespect toward any person;
  - (d) not issue any communications that knowingly mislead FCM or the public about any matter; and

- (e) respect the authority of the CEO, President, or their delegate

4.7 **Substance Use.** FCM Officials shall not be impaired by the consumption of alcohol or drugs while conducting FCM business. FCM Officials may consume alcohol at authorized FCM functions or social events, or related events. At all such times however, FCM Officials are expected to act responsibly when consuming alcohol, and never to drink and drive. In this section “impaired” means being mentally or physically unable to perform assigned work functions safely or productively. FCM Officials shall comply with any substance use policies that may be established by FCM.

## 5. CONFIDENTIALITY

5.1 In this Policy, “**Confidential Information**” includes all non-public information regarding the activities of FCM, including any Complaints of investigations conducted in accordance with this Code. If in doubt about whether information is confidential, a FCM Official should assume all information acquired during the activities and duties as a FCM Official is confidential unless otherwise determined. FCM Officials shall not make any unauthorized disclosure of Confidential Information or use it for any purpose other than the purpose for which it was disclosed to them, except as otherwise required by law. No FCM Official shall take any advantage or take action that may be perceived to have taken any advantage of any Confidential Information that may exist within FCM, or of which a FCM Official may become aware as a result of their involvement in FCM.

5.2 A FCM Official shall:

- (a) not disclose or release any Confidential Information acquired by virtue of their office, except as authorized on behalf of FCM, or required by law;
- (b) not use Confidential Information with the intention to cause harm or detriment to FCM, other FCM Officials or staff, or any other person or body;
- (c) protect Confidential Information from unauthorized and inadvertent disclosure;
- (d) use Confidential Information only for the purpose for which it is intended to be used;
- (e) take reasonable care to prevent the examination of Confidential Information by unauthorized individuals; and
- (f) not take advantage of, or obtain private benefit from, Confidential Information acquired by virtue of their office.

5.3 A FCM Official’s duty of confidentiality under this Code continues even after they cease to be a FCM Official.

**6. CONFLICT OF INTERESTS**

- 6.1 **Duty to Act in Best Interest of FCM.** FCM Officials shall avoid situations where their personal interests will conflict with their duties to FCM. FCM Officials shall also avoid situations where their duties to FCM may conflict with duties owed elsewhere.
- 6.2 **Compliance with Conflict of Interest Policy.** Where conflicts of interest arise, FCM Officials will comply with the requirements of the Act, the By-laws, and the Conflict of Interest Policy set out in Schedule “A” of this Code.

**7. GIFTS AND OTHER BENEFITS**

- 7.1 A FCM Official shall not accept a Gift or Personal Benefit that is connected directly or indirectly with the performance of their duties as an FCM Official unless permitted by the exceptions listed in section 7.2.
- 7.2 A FCM Official may accept a Gift or Personal Benefit if it is:
- (a) received as an incident of the protocol of social obligations that normally accompany the responsibilities of office such as, for example, an honorarium received as part of a speaking engagement.
  - (b) compensation authorized by law; or
  - (c) provided by FCM.
- 7.3 If a FCM Official accepts a Gift or Personal Benefit pursuant to section 7.2(a), and if the total value of the Gift or Personal Benefit exceeds \$50, or the total value of the Gift or Personal Benefit received from one source during the calendar year exceeds \$100, the FCM Official shall within 30 days of receipt of the Gift or Personal Benefit, or reaching the annual limit, file a disclosure statement with the Chief Executive Officer. The disclosure statement shall set out:
- (a) the name of the FCM Official;
  - (b) the nature of the Gift or Personal Benefit, by description, photograph, or both;
  - (c) the date the Gift or Personal Benefit was received;
  - (d) the estimated value of the Gift or Personal Benefit;
  - (e) the source of the Gift or Personal Benefit, including, if it is from a corporation, the full names and addresses of at least 2 individuals who are directors or officers of the corporation;
  - (f) the circumstances under which the Gift or Personal Benefit was given; and
  - (g) the final disposition of the Gift or Personal Benefit.

7.4 If a FCM Official is unable, or elects not, to accept a Gift or Personal Benefit, a FCM Official shall as soon as practicable, either:

- (a) return the Gift or Personal Benefit to the donor along with an explanation as to why the Gift or Personal Benefit cannot, or will not, be accepted; or
- (b) turn the Gift or Personal Benefit over to the Chief Executive Officer for disposition.

7.5 A Gift or Personal Benefit turned over to the Chief Executive Officer is deemed property of FCM. At the Chief Executive Officer's discretion, a Gift or Personal Benefit may be disposed of as follows:

- (a) returned to the donor;
- (b) displayed in individual offices, general offices, or in the public areas of FCM; or
- (c) disposed of by donation, sale or auction, with any proceeds credited to FCM's general revenues or to the direct or indirect support of a charitable organization.

7.6 A Gift or Personal Benefit provided to a FCM Official's spouse, child or parent, that to the FCM Official's knowledge, is connected directly or indirectly to the performance of the FCM Official's duties is deemed to be a Gift or Personal Benefit to that FCM Official.

## **8. COMPLAINT AND RESOLUTION PROCEDURES**

8.1 If a person believes that they have been subject to conduct by an FCM Official in breach of this Code, that person may avail themselves of the procedures set out in Schedule "B" of this Code.

## **9. INDEMNIFICATION**

9.1 Subject to applicable requirements of the By-laws, a FCM Official may be entitled to be indemnified in respect of costs, charges and expenses reasonably incurred by them in connection with a Complaint made against them.

## **10. REPEAL OF PREVIOUS CODE**

10.1 All previous codes related to the subject matter of this Code, including the FCM Code of Ethical Conduct – Statement for Officers, Directors and Committee Members revised in November 2018 (the "**Previous Code**") are repealed as of the date specified below. Such repeal shall not affect the validity of any act done or right or privilege, obligation or liability acquired or incurred under such Previous Code prior to its repeal.

July 24, 2025

**11. AMENDMENT**

11.1 This Code may be amended by the Board.

Approval Date: July 24, 2025

**Schedule “A”**  
**Conflict of Interest Policy**

**FEDERATION OF CANADIAN MUNICIPALITIES**  
(the “**Corporation**” or “**FCM**”)

**Application**

This Conflict of Interest Policy (the “**Policy**”) applies to FCM Directors, Officers and Committee Members (“**FCM Officials**”).

**Purpose**

As part of a FCM Official’s duties and responsibilities by reason of their position or role within FCM, such person is required to act in the interests of FCM. In addition, to safeguard the integrity of the decision-making processes of FCM’s board of directors (the “**Board**”), committees, caucuses and forums, FCM Officials must be free from actual, potential or perceived conflicts of interest in their decision-making. It is important that all FCM Officials understand their obligations when a conflict of interest or potential conflict of interest arises. This Policy sets out the rules and procedures regarding conflicts of interest to ensure that actual, potential or perceived conflicts of interest are avoided, managed or resolved, thereby preserving the objectivity and credibility of the FCM.

Directors and Officers are reminded that, under the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23 (the “**Act**”) and in exercising their powers and discharging their duties, they are also required to (a) act honestly and in good faith with a view to the best interests of the Corporation, and (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

**Definitions**

In this Policy, unless the context otherwise requires:

- (a) “**By-laws**” means By-law No. 1 of FCM, which relates generally to the conduct and management of the activities and affairs of FCM, as amended and which is, from time to time, in force and effect.
- (b) “**Committee Member**” means a Director, a Non-Board Member and any other person serving on any FCM Committee or subcommittee of a FCM Committee, caucus or forum.
- (c) “**Director**” means a member of the Board.
- (d) “**Elected Municipal Official**” has the meaning ascribed to that term in the By-laws.
- (e) “**Executive Committee**” means the executive committee of the Board established pursuant to the By-laws.

- (f) **“FCM Committee”** means a FCM committee, caucus or forum, including the Green Municipal Fund Council, the Investment Committee and the Peer Review Committee that are established pursuant to the GMF Funding Agreement.
- (g) **“FCM Officials”** has the meaning ascribed to that term in the first paragraph of this Policy.
- (h) **“Gift or Personal Benefit”** means an item or service of value that is received by a FCM Official or their family for their personal use including money, gift cards, tickets to events, clothing, jewelry, pens, food or beverages, discount/rebates on personal purchases, entertainment, participation in sport and recreation activities, and invitations to social functions.
- (i) **“GMF Funding Agreement”** means the funding agreement entered into between the Federation and His Majesty the King in Right of Canada (as represented by the Minister of Natural Resources, the Minister of the Environment, and the Minister of Intergovernmental Affairs, Infrastructure and Communities), dated on or about July 5, 2023, as amended from time to time, together with any successor agreement thereof.
- (j) **“Non-Board Member”** means an Elected Municipal Official who is not a Director.
- (k) **“Officer”** means an officer of FCM within the meaning of the By-laws.
- (l) **“Person”** means an individual or a body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization.

## **Policy**

FCM Officials shall avoid situations in which they may be in a position of a conflict of interest or perceived conflict of interest. In addition to the conflict of interest provisions in the Act and the By-laws, which must be strictly adhered to, the process set out in this Policy shall be followed when an actual, potential or perceived conflict of interest arises.

## **Description of Conflict of Interest**

A conflict of interest arises in any situation where a FCM Official’s obligation or duty to act in the Corporation’s best interests and to adhere to their obligations or duties is compromised or impeded by any other interest, relationship, or duty of that person. A conflict of interest also includes circumstances where the FCM Official’s duties to the Corporation conflict with other duties owed by the FCM Official such that the person is not able to fully discharge the duties owed to the Corporation.

A conflict of interest can be both direct and indirect. FCM Officials must be vigilant in thinking about and identifying actual, potential, and perceived conflicts of interest.

A conflict of interest involves an individual interest, and not one common to a large segment of the population that includes the FCM Official. A conflict of interest involves an individual

interest, and not one common to a large segment of the population that includes the FCM Official.

The situations in which a conflict of interest may arise cannot be exhaustively set out in this Policy. Conflicts generally arise in the situations described below:

### **1. Transacting with the Corporation**

- When a FCM Official transacts with the Corporation directly or indirectly.
- When a FCM Official has a direct or indirect interest in a material contract or material transaction, whether made or proposed, with the Corporation.
- When a FCM Official has a direct or indirect pecuniary interest in a matter under consideration by the Corporation.

### **2. Interest of a Relative**

When the Corporation conducts business with suppliers of goods or services or any other party of which a relative or member of a FCM Official's household is a principal, officer, or representative.

### **3. Gifts or Personal Benefit**

When a FCM Official or a member of such person's household or any other Person designated by the FCM Official accepts or receives a Gift or Personal Benefit in contravention of the FCM Code of Ethical Conduct or for the purposes of (or that may be perceived to be for the purposes of) influencing an act or decision of the Corporation, the Board or any FCM Committee.

### **4. Acting for an Improper Purpose**

When FCM Officials exercise their powers motivated by self-interest or other improper purposes. This may include a situation where a FCM Official has a private or personal interest sufficient to impair, influence or appear to influence the objective exercise of their duties as a FCM Official.

FCM Officials must act solely in the Corporation's best interests. FCM Officials who are nominees of a particular group must act in the best interest of the Corporation even if this conflicts with the interests of the nominating party.

### **5. Adverse Interest**

A FCM Official has an adverse interest to FCM when:

- they are a party to a claim, application or other proceeding against FCM or they have an interest in or are related to a Person who is a party to a claim, application or other proceeding against FCM;

- they have an interest in or are related to a Person that has applied to FCM for a grant, loan or loan guarantee.

## **6. Appropriation of Corporate Opportunity**

When a FCM Official diverts to their own use or benefit an opportunity or advantage that belongs to the Corporation.

## **7. Duty to Disclose Information of Value to the Corporation**

When FCM Officials fail to disclose information that is relevant to a vital aspect of the Corporation's activities and affairs. This may include a situation where a FCM Official has insider or other knowledge (that was not obtained as an FCM Official) about a particular transaction, project or other matter that is the subject of an application made to FCM or that is otherwise under consideration by FCM.

## **8. Serving on Other Corporations or in Other Official Roles**

A FCM Official may be in a position where there is a conflict of "duty and duty". This may arise where the FCM Official serves as a director or other official of two corporations that are competing or transacting with one another. It may also arise where a FCM Official has an association or relationship with another entity (e.g. an incorporated municipality or an association of municipalities, or other governmental or quasi-governmental department or agency. While not an exhaustive list, the following are examples of such a conflict:

- If two corporations in which an FCM Official has an interest are both seeking to take advantage of the same opportunity, the FCM Official may be in possession of confidential information received from one corporation or related to the matter that is of importance to a decision being made by the other corporation. The FCM Official cannot discharge the duty to maintain such information in confidence while at the same time discharging the duty to make disclosure. The FCM Official cannot act to advance any interests other than those of the Corporation.
- If FCM is considering a contract or transaction, or proposed contract or proposed transaction, or other matter that involves or benefits or could potentially involve or benefit the municipality or region where an FCM Official serves as an Elected Municipal Official (including any applications made or projects under consideration for funding by the Green Municipal Fund), that FCM Official shall be deemed to be in a conflict of interest and shall be required to comply with rules outlined in this Policy, including the rules in respect of disclosure and recusal.

## **9. Eligibility for GMF Funding**

A FCM Official, a Person in which a FCM Official has an interest, and a Person who is related to a FCM Official is not eligible to apply directly or indirectly for funding from the Green Municipal Fund, unless such person has first obtained the explicit approval of the Executive Committee.

If the Executive Committee grants such approval, the FCM Official shall disclose the conflict and take such other steps required in accordance with the procedure set out in the following section of this Policy (“Process for Disclosing and Managing Conflicts”).

Nothing in this Policy shall prohibit a FCM Official, a Person in which a FCM Official has an interest from sub-contracting, in the normal course of business, with a municipal government, or with a public or private sector partner thereof, in connection with any Green Municipal Fund project.

## **Process for Disclosing and Managing Conflicts**

### ***Disclosure of Conflicts***

A Director or Officer, who is in a position of real, potential or perceived conflict, shall immediately disclose such conflict to the Board by notifying the President or First Vice-President. Where the President has a conflict, notice shall be given to the First Vice-President. A Committee Member who is in a position of real, potential or perceived conflict shall immediately disclose such conflict to the chair of the relevant FCM Committee, provided that in the case of the Peer Review Committee, such disclosure shall be made to the Peer Review Coordinator.

A disclosure made in accordance with this Policy shall include the nature and extent of the conflict and the disclosing person’s interest. The disclosure shall be made at the earliest possible time and, where possible, prior to any discussion, participation or vote on the matter by the Board or relevant FCM Committee. The disclosure shall be made in writing or by requesting to have it entered in the minutes of meetings of the Board or relevant FCM Committee.

In the case of a Director, the disclosure must be made:

- at the meeting of the Board or FCM Committee where a matter in which the Director has a conflict is first considered;
- if the Director was not then interested in a matter, at the first meeting of the Board or FCM Committee after the Director becomes interested;
- if the Director becomes interested after a matter has occurred, at the first meeting of the Board or FCM Committee after the Director becomes interested; or
- if an individual who has a conflict in a matter later becomes a Director, at the first meeting of the Board or FCM Committee after the individual becomes a Director.

In the case of an Officer who is not a Director, the disclosure must be made:

- immediately after the Officer becomes aware that a matter in which the Officer has a conflict is to be considered or has been considered at a meeting of the Board or FCM Committee;
- if the Officer becomes interested after a matter has occurred, immediately after the Officer becomes so interested; or
- if an individual who has a conflict in a matter later becomes an Officer, immediately after the individual becomes an Officer.

In the case of a non-director Committee Member, the disclosure must be made:

- at the committee meeting where a matter in which the Committee Member has a conflict is first considered;
- if the Committee Member was not then interested in a matter, at the first committee meeting after the Committee Member becomes interested;
- if the Committee Member becomes interested after a matter has occurred or been approved, at the first committee meeting after the Committee Member becomes so interested;
- if an individual who has a conflict in a matter later becomes a non-director Committee Member, at the first committee meeting after the individual becomes a non-director Committee Member.

If a FCM Official has a conflict of interest in a matter that, in the ordinary course of the Corporation's business, would not require approval of the Board, a FCM Committee, or the members of FCM, the FCM Official shall disclose the conflict of interest to the President or First Vice-President, or request to have the nature and extent of their interest entered in Board or FCM Committee meeting minutes forthwith after the FCM Official becomes aware of the matter.

#### ***Continuing Disclosure***

FCM Officials shall provide a general notice to the Board disclosing their ongoing relationships and interests in any Person or Persons that give rise to conflicts. Such disclosures shall be made in accordance with the "*Disclosure of Conflicts*" section of this Policy.

#### ***Leave the Meeting and Do Not Vote***

A FCM Official who has declared a conflict shall not attend any part of a meeting during which the matter in which they have a conflict is discussed, and shall not vote on any resolution to approve the matter.

In accordance with the Act, exceptions are made if the matter relates to a contract or transaction:

- (a) primarily related to their remuneration as a director, an Officer, an employee, an agent or a mandatary of the Corporation or an affiliate of the Corporation;
- (b) for indemnity or insurance under section 151 of the Act; or
- (c) with an affiliate of the Corporation.

#### ***Referral Where Existence of a Conflict is Uncertain***

If a FCM Official is not certain whether they are in a conflict of interest position, the matter may be brought before the following persons for advice and guidance:

- (a) the President, or where the issue may involve the President, the First Vice-President – in the case of a potentially conflicted Director or Officer;

- (b) the chair of the relevant FCM Committee (other than the Peer Review Committee) – in the case of a potentially conflicted member of a FCM Committee (other than a member of the Peer Review Committee); and
- (c) the Peer Review Coordinator – in the case of a potentially conflicted member of the Peer Review Committee.

If there is any question or doubt about the existence of a conflict, the following person or group of persons will determine if a conflict exists.

- (a) the Executive Committee, by majority vote – in the case of a potentially conflicted Director or Officer;
- (b) the relevant FCM Committee (other than the Peer Review Committee), by majority vote – in the case of a potentially conflicted member of a FCM Committee (other than a member of the Peer Review Committee); and
- (c) the Peer Review Coordinator – in the case of a potentially conflicted member of the Peer Review Committee.

The FCM Official potentially in a conflict of interest shall be absent from any discussion on the matter and shall not vote on the issue.

It is the responsibility of anyone who is aware of a real, potential or perceived conflict of interest on the part of a FCM Official to raise the issue for clarification, first with the FCM Official in question and, if still unresolved, with the relevant person described above in the first paragraph of the “*Referral Where Existence of a Conflict is Uncertain*” section of this Policy.

The FCM Official must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and, unless otherwise decided by the relevant person or group of persons described above in the second paragraph of the “*Referral Where Existence of a Conflict is Uncertain*” section of this Policy, must leave the meeting for the duration of any such discussion or vote.

The decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting or such other written record or report. If applicable, the time the FCM Official left and returned to the meeting shall also be recorded.

If a conflict of interest cannot be resolved to the satisfaction of the Executive Committee (by simple majority resolution), the FCM Official may be asked to resign or may be subject to removal pursuant to the Act, the By-laws and other policies of the Corporation.

## **Perceived Conflicts**

It is acknowledged that not all conflicts may be satisfactorily resolved by strict compliance with the Act, the By-laws or this Policy. There may be cases where the perception of a conflict of interest (even where no conflict exists) may be harmful to the Corporation notwithstanding that there has been compliance with the Act, the By-laws and this Policy. In such circumstances, the process set out in this Policy for addressing perceived conflicts of interest shall be followed.

**Amendment**

This Policy may be amended by the Board.

Approval Date: May 22, 2025

**Schedule “B”**  
**Complaint and Resolution Procedures**

**Complaint Submission Process**

1. If any person believes that a FCM Official has breached the FCM Code of Ethical Conduct, that person may:
  - a. make a Complaint to the CEO in the form described in section 8 of this Schedule; or
  - b. may approach the CEO on a confidential basis, without the need to file a Complaint, to request that the FCM Official be informed of the alleged breach (a “**Confidential Request**”).
2. If a person’s Complaint or Confidential Request includes an allegation of violence, discrimination or harassment, the CEO shall consult with the FCM Director, Human Resources and/or the Chair of the Board Human Resources Committee, to determine whether the alleged conduct falls within the scope of the FCM Harassment Policy and, in the event that it does, the matter shall be dealt with in accordance with the rules and procedures set out in the FCM Harassment Policy.
3. Unless section 2 applies, upon receipt of a Complaint under section 1.a or a Confidential Request under section 1.b, the CEO shall immediately inform the Executive Committee of the Complaint or Confidential Request, through the President, or if the Complaint or Confidential Request involves the President, the First Vice-President. Within seven days of being informed of a Complaint or Confidential Request by the CEO, the Executive Committee shall appoint the Complaint Officer, who shall be responsible for managing the matter in accordance with the Code and this Schedule “B”.
4. The CEO shall reject a Complaint or Confidential Request received more than 180 days after the person making such Complaint or Confidential Request knew or reasonably ought to have known of the alleged breach of this Code, unless: (a) the Complaint concerns a FCM Official who has been charged with a criminal offence, or (b) the Complainant alleges (explicitly or impliedly) that a FCM Official has or may have committed a crime.
5. Once the Complaint Officer has been engaged to manage a Complaint or Confidential Request, the CEO and Executive Lead, Governance shall be entitled to receive regular updates regarding the conduct of any investigation or proceedings taken because of such Complaint or Confidential Request.

**Confidential Requests**

6. Upon receipt of a Confidential Request, the Complaint Officer shall inform the FCM Official of the alleged breach of the Code and may attempt to address the conduct with the FCM Official.

7. The Complaint Officer shall protect the confidentiality of a person making a Confidential Request, unless the person making the request consents to disclosure. In cases where it is not possible for the Complaint Officer to address the conduct that is the subject of a Confidential Request without disclosing Confidential Information about the person making the Confidential Request and the person does not consent to such disclosure, the Complaint Officer shall inform that person that confidentiality is not possible in that case.

### **Complaint Procedure**

8. A Complaint shall be in writing and describe with sufficient detail:
  - a. the name of the Complainant;
  - b. the name of the Respondent;
  - c. the conduct that the Complainant alleges to have breached this Code;
  - d. the date of the alleged conduct;
  - e. the part or parts of this Code that the Complainant alleges has or have been breached; and
  - f. the basis for the Complainant's knowledge about the conduct.
9. A Complainant may specify in the Complaint if they are willing to participate in an informal resolution of the Complaint.
10. FCM may prescribe a form for submitting a Complaint.
11. Provided that a Complaint has been submitted, the Complaint Officer may accept a Complaint, notwithstanding that the form of the Complaint does not comply with all of the requirements set out in section 8 if, in the Complaint Officer's opinion, the circumstances so warrant.
12. The Complaint Officer shall not accept multiple Complaints concerning the same incident or conduct. In the event that the Complaint Officer receives multiple Complaints concerning the same incident or conduct, the Complaint Officer shall proceed with the first Complaint accepted, but may expand the Complaint and/or add Complainants for the purpose of conducting the investigation and preparing the investigation report.

### **Preliminary Assessment**

13. On receipt of a Complaint, the Complaint Officer shall conduct a preliminary assessment and if at that time, or any time thereafter, the Complaint Officer is of the opinion that:
  - a. the subject matter of the Complaint is not with respect to a breach of this Code;
  - b. the Complaint is frivolous, vexatious, or not made in good faith;

- c. the investigation is, or might be, hampered, or the FCM Official might be prejudiced by the Complainant's failure to provide a Complaint in compliance with section 8, or otherwise cooperate with the investigation;
- d. the Complainant wishes to withdraw the Complaint, and it would be appropriate in the circumstances to allow the withdrawal; or
- e. there are no grounds or insufficient grounds for concluding that a breach of this Code has occurred,

the Complaint Officer shall notify the Complainant and the Respondent in writing that the Complaint Officer is closing the Complaint, set out the reasons therefore, and close the Complaint.

14. Notwithstanding section 13, the Complaint Officer may, after conducting a preliminary assessment:
  - a. request further information from the Complainant before determining whether or not there are sufficient grounds for believing that a breach of this Code may have occurred; or
  - b. inform the Executive Committee (except any member of that committee who is the subject of the Complaint) of the Complaint and seek its guidance with respect to any decision to proceed with a formal investigation or an informal resolution process under this Code.
15. When the Complaint Officer has decided to proceed with a Complaint, the Complaint Officer shall determine whether the Complaint requires a formal investigation, or whether the Complaint may be resolved informally.

### **Informal Resolution**

16. If the Complaint Officer has decided to proceed with an informal resolution process, the Complaint Officer may, at their discretion, either attempt to resolve the Complaint directly, or refer the Complaint to another Officer who is not the subject of the Complaint.
17. When determining whether the Complaint may be resolved informally, the Complaint Officer may consider culturally appropriate, or transformative or restorative justice approaches, and may engage a third party to assist the Complaint Officer for this purpose.
18. The Complainant, or the Respondent, can decline to participate in an informal resolution at any time.
19. If a Complaint is resolved informally, the person assisting in resolving the Complaint shall notify the Complaint Officer in writing of the terms of the resolution, upon receipt of which, the Complaint Officer shall close the Complaint.

20. If a Complaint cannot be resolved informally with the assistance of a third party, the person assisting in resolving the Complaint shall refer the Complaint back to the Complaint Officer for a formal investigation.

### **Formal Investigation**

21. If a Complaint is not rejected, closed, or resolved informally, the Complaint Officer shall proceed with a formal investigation.
22. When a formal investigation is initiated, the Complaint Officer must also consider if interim administrative measures should be recommended given the overall circumstances, considering the public interest and the necessity to protect the integrity and operations of FCM from being seriously jeopardized, pending the outcome of the investigation. Interim administrative measures include temporary reassignment (e.g. change in duties within FCM), and suspension of the Respondent from any or all their FCM-related duties. When it appears to the Complaint Officer that the Respondent may have contravened a provision of this Code, and an investigation has been initiated, the Executive Committee may, upon recommendation of the Complaint Officer, impose interim administrative measures. The implementation of interim administrative measures or a suspension from FCM-related duties is not a disciplinary measure. These are administrative steps available to safeguard FCM and the public pending the outcome of the matter. Notwithstanding the foregoing, and in the case where the Respondent is also a Director, no interim administrative measures shall be imposed on the Respondent unless the Executive Committee has sought and received legal advice regarding the appropriateness of any such measures.
23. The Complaint Officer shall send notice of the Complaint to the Respondent with a request that the Respondent provide a written response to the Complaint together with any submissions the Respondent chooses to make within 10 days, subject to the Complaint Officer's discretion to extend the timeline.
24. The Complaint Officer may provide the Complainant with the Respondent's written response together with any submissions, on a strictly confidential basis, and request a reply in writing within 10 days, subject to the Complaint Officer's discretion to extend the timeline.
25. Employees of FCM and FCM Officials shall cooperate in any formal investigation conducted in accordance with this Code as reasonably requested by the Complaint Officer or FCM, including without limitation being available to the Complaint Officer or FCM upon reasonable notice for interviews, and submit all relevant information and documents which are or may come into their possession, provided such documents are not privileged or confidential.
26. The Complaint Officer shall ensure that the formal investigation complies with the rules of procedural fairness and natural justice required in the circumstances.

## Adjudication and Reporting

27. The Complaint Officer shall conclude their investigation within 90 days of having decided to proceed with a formal investigation, or if the Complaint Officer determines that doing so is not practicable, the Complaint Officer shall notify the Complainant and Respondent of the delay and provide a revised conclusion date. The revised conclusion date may be extended by periods of up to 30 days on provision of written notice to the Complainant and the Respondent.
28. A notification issued pursuant to sections 13 or 27 is confidential and shall not be disclosed except, that the Respondent may disclose the fact that the Complaint has been closed, or that a finding has been made that the Respondent did not breach this Code.
29. If after reviewing all material information, the Complaint Officer determines that the Respondent did not breach this Code, then:
  - a. the Complaint Officer shall prepare a written investigation report providing reasons for their determination that the FCM Official did not breach the Code; and
  - b. the Complaint Officer shall deliver a copy of the investigation report to the Respondent and the Executive Committee.
30. If after reviewing all material information the Complaint Officer concludes that the Respondent may have breached this Code then:
  - a. the Complaint Officer shall prepare a written investigation report setting out their recommendation that the Executive Committee determine that the Respondent did breach this Code, and setting out the basis for this recommendation;
  - b. the investigation report will make recommendations as to the appropriate sanction in the event that the Executive Committee determines that the Respondent did breach this Code;
  - c. if the Complaint Officer recommends that the Executive Committee determine that the Respondent did breach this Code, but that the Respondent took all reasonable steps to prevent it, or that the breach was minor or done inadvertently or because of an error in judgment made in good faith, the Complaint Officer will so state in the investigation report and may recommend to the Executive Committee that, even if the Executive Committee determines that a breach of the Code occurred, no sanction be imposed;
  - d. the Complaint Officer shall deliver, on a strictly confidential basis, a copy of the investigation report to the Respondent; and
  - e. the Complaint Officer shall deliver a copy of the investigation report to the Executive Committee forty-eight (48) hours after delivery of the investigation report to the Respondent.

## **Final Determination by the Executive Committee**

31. The Executive Committee shall, within 30 days of delivery of the investigation report pursuant to section 28.e , or a longer period if approved by a vote of the Executive Committee, hold a meeting to consider the investigation report referred to in section 30 and to determine (i) whether the Respondent did breach this Code and, if so, (ii) the appropriate censure, sanctions or corrective actions, if any, that are warranted by the breach of this Code and such other actions that may be taken by the Executive Committee as it considers appropriate in the circumstances.
32. Prior to the Executive Committee making any decision as referred to in section 31, it shall provide the Respondent with (i) notice of the meeting referred to in section 31, and (ii) an opportunity, either in person or in writing, to make submissions in regard to whether the Respondent committed a breach of this Code and/or the appropriate censure, sanctions or corrective actions in regard to any such Code.
33. The Executive Committee may hold a closed or in camera meeting for the purposes of considering the investigation report, receiving legal advice, deliberating and/or voting on the investigation report, or for any other reason that the Executive Committee considers appropriate in the circumstances.
34. The Executive Committee shall prepare a document (“**Executive Committee Decision**”) setting out its decision regarding whether the Respondent breached this Code and what if any measures are warranted by any such breach, as well as brief reasons for its decision. The Executive Committee shall deliver a copy of the Executive Committee Decision to the Respondent, the Complaint Officer, and, if it deems appropriate in the circumstances, the Complainant.
35. The Executive Committee Decision is final and not subject to appeal.

## **Remedies and Sanctions**

36. Remedies and sanctions that may be imposed by the Executive Committee for breaching this Code include the following:
  - a. a letter of reprimand from the Executive Committee addressed to the Respondent;
  - b. a request from the Executive Committee that the Respondent issue a letter of apology;
  - c. the publication of the letter of reprimand and request for apology, along with the Respondent’s written response;
  - d. a recommendation that the Respondent attend specific training or counselling;
  - e. a request from the Executive Committee that the Respondent voluntarily resign from their FCM duties;

- f. suspension of the Respondent from any or all their FCM-related duties, provided that if the Respondent is also a Director, no such suspension shall be imposed on the Respondent unless the Executive Committee has sought and received legal advice regarding the appropriateness of any such sanction;
- g. if the Respondent is a Director, a recommendation to the Board that a special meeting of the members be convened in accordance with the By-laws and the Act for the purpose of proposing the removal of such Director from the Board;
- h. termination of the Respondent's appointment from any committee, task force, or other FCM-established body to which the Respondent was appointed by FCM or the FCM Board;
- i. public censure of the Respondent; and
- j. any other sanctions or corrective actions as the Executive Committee deems reasonable and appropriate.

### **Confidentiality of the Investigation**

- 37. The Complaint Officer shall make all reasonable efforts to investigate Complaints in confidence, but confidentiality may not be possible in all cases. For example, the Respondent may need to know the identity of the Complainant to respond to the Complaint.
- 38. The Complaint Officer and every person acting under the Complaint Officer's instructions shall preserve confidentiality with respect to a Complaint and all related matters that come into such persons' knowledge during any investigation of such Complaint, except as required by law.
- 39. An investigation report shall only disclose such matters as in the Complaint Officer's opinion are necessary for the purpose of the investigation report.

### **Reprisals and Obstruction**

- 40. No person will obstruct the Complaint Officer in the carrying out of the Complaint Officer's duties or responsibilities.
- 41. No person will threaten or undertake any active reprisal against a Complainant or against a person who provides information to the Complaint Officer in the context of an investigation.
- 42. No FCM Official or FCM employee will tamper with or destroy documents or electronic records related to any matter under investigation under this Code or refuse to respond to the Complaint Officer when questioned regarding an investigation.