



RFA BANK OF CANADA

# Code of Conduct Policy

Board Approval: May 2024

Senior Management

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Policy Owner: Chief Compliance Officer

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## 1. Purpose

RFA Bank of Canada (collectively referred to as “RFA”, the “Bank”, “we”, “us”, “our” throughout) is committed to treating employees fairly and to conducting business honestly and in accordance with the law.

The purpose of this Code of Conduct (the “Code” or “Policy”) is to safeguard RFA’s reputation by defining the minimum acceptable behavior which is an important part of RFA’s culture of doing what’s right and acting with integrity.

## 2. Scope & Applicability

The Code applies to the Board of Directors (“Directors” or Board”), officers, all permanent and temporary employees and independent contractors. The rules set out in this Code are to be applied at all times and in all places when carrying out Bank duties, whether they are of a professional or social nature.

This Code does not create a contractual agreement with or obligation of the Bank to any individual and we may, unless otherwise specified by local laws or written contract, terminate an employment relationship or modify this Code at any time, with or without cause or notice.

This Code should be read in conjunction with other Bank documents, policies, and procedures that address various topics that may or may not be set forth in this Code including:

- Anti-Money Laundering and Anti-Terrorist Financing Policy;
- Customer Service Guide regarding Complaints;
- Employee Handbook;
- Enterprise Risk Management Framework and Policy;
- Internal Control Policy;
- Market Conduct and Customer Communications Policy;
- Privacy Code;
- Regulatory Compliance Management Policy;
- Reputation Risk Management Policy;
- Whistleblowing Policy.
- Assessment of Responsible Persons and Related Parties Policy; and
- Anti-Bribery and Anti-Corruption Policy

## 3. Principles

RFA’s values guide our daily actions and govern our decisions. The Code supports our values which forms the foundation of our resilient culture and serves as the roadmap we follow to serve our clients, colleagues, and society with integrity. Every Board member, permanent and temporary employee and independent contractor of the Bank is responsible for ensuring the Code and our values are promoted.



### Accountability

You take ownership of your work & its consequences. You always consider risk & make informed decisions.



### Selflessness

You share info & teach others. You're able to put your ego aside & understand that the best idea wins.



### Inclusivity

You value differing viewpoints & experiences. You understand how this can drive growth & innovation.



### Innovation

You seek opportunity & embrace change. You see tech as a way to enhance productivity & drive profitability.



### Courage

You make tough decisions in our best interest. You see opportunity when faced with challenge or adversity.



### Impact

You value results & your contributions. You rise to the occasion and never settle for sub-par.



### Performance

You embody a competitive spirit, desire to win and strive for executional excellence.

## 3.1 Risk Appetite

The Risk Appetite Framework (RAF) establishes limits regarding the level of risk that the Bank is willing to accept and forms the basis for this Policy. The Bank has a low risk appetite for misconduct. Any conduct which is dishonest, illegal, or unauthorized following an investigation will be grounds for disciplinary action or immediate termination of employment.

## 4. Policy Requirements

### 4.1 Compliance with Laws and Regulations and Guidelines

At no time will we participate in any illegal activity or activity that may appear illegal and we will always comply with legislation, regulations and official guidance that apply to the Bank.

#### **4.1.1 Conflict with the Code**

In the event of a conflict between this Code and any laws, by-laws, regulations, permanent instructions, policies, procedures, other codes, or legislation governing the Bank, we will comply with both where possible by complying with the rule that is most stringent. If the conflict is such that it is not possible to comply with both then we will comply with the applicable law.

#### **4.1.2 Anti-Money Laundering and Anti-Terrorist Financing**

We will not allow, facilitate, or participate in money laundering activities by accepting, transferring, converting, or concealing money obtained from criminal activities or related to terrorist financing. We are familiar with, and will comply with, the policy on money laundering and the financing of terrorist activities.

Employees should refer to the *[Anti-Money Laundering and Anti-Terrorist Financing Policy](#)* and/or contact the Chief Anti-Money Laundering Officer for any questions or concerns.

#### **4.1.3 Privacy of Personal Information**

Confidential information about RFA and its customers or employees may not be disclosed to unauthorized third parties or other employees except on a need-to-know basis in the course of legitimate business dealings. RFA is accountable for the protection and confidentiality of individual personal information that comes under its control. We abide by the principles that govern the collection, use, and disclosure of personal information.

Employees should refer to the *[Privacy Code](#)* on RFA's website or contact the Chief Privacy Officer for further information.

#### **4.1.4 Competition**

We will comply with the legislative provisions applicable to competition. We will not collude with other financial institutions or businesses illegally to establish the conditions of a transaction, product, or service offered to a third party. These conditions include interest rates, prices, fees, and types of services offered. Employees must represent the Bank in a manner that is fair, truthful and free from any misrepresentation.

#### **4.1.5 Customer Service and Complaint Handling**

RFA has a complaint handling procedure in place to handle customer service complaints promptly, fairly, and transparently.

Employees should refer to the *[Customer Service Guide regarding Complaints](#)* on our website for further information.

#### **4.1.6 Workplace Discrimination and Harassment**

RFA recognizes and encourages the uniqueness of individual contributions within a team environment. This principle is reflected in all aspects of employment such as recruitment, compensation, training, promotion, transfer, and benefits. All employees at RFA will be treated as individuals according only to their abilities to meet job requirements, and without regard to factors such as race, sex, color, nationality, ethnicity, place of origin, sexual orientation, age, disability, marital status, religion, creed, or any other factor that is legislatively or constitutionally protected. Any kind of discrimination or harassment based upon these factors is neither permitted nor condoned and will not be tolerated under any circumstances.

RFA encourages the reporting of any incident or concern in good faith without fear of retaliation or reprisal. The Bank will ensure all incidents, complaints or concerns of discrimination and harassment are investigated within a timely and fair manner respecting the privacy of all concerned as outlined in the *Employee Handbook*. Please contact Human Resources if you have any questions or concerns.

#### **4.1.7 Fraud, Bribery and Corruption**

RFA will not tolerate any fraudulent activity on the part of anyone to whom this Code applies. This includes misappropriation or unauthorized use of RFA's assets, customer or internal non-public financial information, the receipt or making of illegal payments, and knowingly submitting expense claims that are not in keeping with the Bank's guidelines and policies. It is the responsibility of each employee to play a role in fraud prevention by being aware of internal and external fraud risks and observing the Bank's policies and procedures at all times.

It is important to note that the Criminal Code makes it a crime for any officer, Director, or employee of the Bank directly or indirectly to corruptly ask, solicit or demand for the benefit of that person or corruptly accept or agree to accept anything of value from any person intending to be influenced or rewarded in connection with any business or transaction with the Bank.

Employees should refer to the *Enterprise Risk Management Framework and Policy* for further information.

#### **4.1.8 Internal Controls**

RFA has designed and implemented internal controls that set out the key principles, structures and processes that underpin its approach to managing risks. Internal control-related roles and responsibilities are aligned with the three lines of defense model which promotes strong risk culture, communication, and accountability.

Employees should refer to the *Internal Control Policy* for further information.

#### **4.1.9 Financial Reporting, Audit, Disclosures, and Bank Records**

RFA'S senior financial officers (e.g., Chief Financial Officer, Corporate Controller, and any person performing similar functions) as well as any person whose responsibilities include financial reporting duties ("Finance Personnel") have a heightened obligation to perform their duties in a diligent, honest, and ethical manner. This duty of honesty extends to the full, fair, accurate, timely, and understandable disclosure of information relating to the Bank's financial condition and results of operation in its periodic reports and compliance with all applicable government rules and regulations. The primary responsibility for financial reporting, internal control, and compliance with laws, regulation, and ethics rests with Senior Management.

Finance Personnel and employees involved in the preparation of financial reports, accounting, and all other records must accurately reflect the Bank's business activities in accordance with our policies, procedures, and regulatory requirements. Falsification of personnel, business, or other Bank records is prohibited. Bank records shall be maintained in accordance with our record retention policies.

#### **4.1.10 Other Applicable Laws**

In the course of your dealings always keep in mind that you are subject to all relevant legislation and regulations related to our business. We are all personally responsible for being aware of and understanding the laws and regulatory requirements specific to our duties.

## 4.2 Compliance with Policies and Procedures

We ensure our policies support this Code and our corporate procedures are specifically designed to assist in complying with the laws and regulations that apply to us. Employees must understand and abide by the laws, policies, and procedures that affect their jobs. Please speak to your supervisor for guidance if necessary.

### 4.2.1 Conflict of Interest

Employees are expected to be free of conflicts of interest in respect of their actions, decisions, and judgments respecting all RFA business. In this regard, employees and Directors are expected to avoid any relationships, activities, or personal financial interests that might possibly give rise to a real or apparent conflict of interest and impair or affect their judgment or influence their decisions concerning RFA business.

While this Policy does not intend to interfere with the personal lives of employees, officers and Directors, it requires those persons to recognize situations where conflicts of interest may arise and to avoid them when possible.

Some examples of obvious unacceptable conduct are noted below.

No one to whom this Code applies shall, without prior written approval of the Chief Compliance Officer:

1. accept gifts or favors from persons having dealings with RFA that are offered in gratitude for services rendered or anticipated unless such gift or favor:
  - (i) is not a cash gift or cash equivalent;
  - (ii) is consistent with customary practices;
  - (iii) infrequent (no more than twice per year);
  - (iv) of minimal value, that is no more than \$250;
  - (v) cannot be construed as a bribe, payoff, or inducement;
  - (vi) does not violate laws, regulations, or policies; and
  - (vii) can be reciprocated in a similar manner;
2. accept casual or infrequent business entertainment in the form of lunches, dinners, etc. unless such a benefit is within the bounds of propriety and not such as to bring suspicion upon the objectivity of the person receiving the benefit;
3. subject to the exceptions set out in number 1 above, demand, accept, offer, or agree to accept from a person who has dealings with RFA, a direct or indirect commission, reward, advantage, or benefit of any kind, whether to be received by the employee, by a member of the employee's family, or by a third party whom the employee wishes to benefit;
4. engage in the business of private lending or in any other business or transaction or have a financial or other personal interest that is incompatible with the discharge of the employee's official duties,
- 4.1. in particular, no person to whom this Code applies shall be in a position to benefit financially, outside of their normal remuneration, from a transaction in which they may be involved in the course of their duties. Disclosure must be made to your supervisor or to the Board of Directors as may be appropriate of any personal relationships that an employee may have with any individual involved in a transaction with RFA;
5. be in a position to derive any direct or indirect benefit or interest from any RFA contracts where the employee can influence decisions;
6. engage in any outside employment, work, or business undertaking that interferes with the performance of their duties to RFA without prior written approval from the Department Head;
7. engage in any outside employment, work, or business undertaking in which an advantage may be

derived from employment with RFA or from information derived from its suppliers, vendors, or business partners;

8. benefit or allow friends, relatives, or any other party to benefit from the use of information, including RFA's investment information, that is acquired during the course of the employee's official duties and that is not publicly available;
9. use or permit the use of RFA's property for any kind for personal convenience or profit or for any activities not associated with the discharge of official duties.

In the event that a potential conflict arises, employees are expected to immediately report the situation to their supervisor. Additionally, employees must report to their supervisor or Senior Management any situation where anyone attempts to exert influence over the behavior of an employee for their own benefit or for the benefit of any third party. Supervisor or Senior Management will in turn report such incidents to the Chief Compliance Officer. Any uncertainties should be directed to your supervisor for clarification or guidance.

Bank officers and Directors must disclose any transaction or relationship that may reasonably be expected to give rise to a conflict of interest in the annual Responsible Person Attestation form. Bank officers and Directors shall inform the Chair of the Board and/or the Chief Compliance Officer (CCO) of any new transaction or relationship that may reasonably be expected to give rise to a conflict of interest.

Monitoring for gifts and hospitality is completed through the Gifts and Hospitality Disclosure form and Register. The Form should be used by all employees to disclose and obtain approval before accepting gifts, hospitality, or entertainment outside of the limits set forth in this section. The Register is used to record/track gifts/hospitality disclosures. The recipient's Manager is responsible for evaluating the circumstances surrounding the gift and/or hospitality event for potential conflicts of interest and/or appearance of impropriety in accordance with the Policy and forwarding it to the CCO for review. The form must be completed within a reasonable timeframe (at least five business days) of receiving a reportable gift or hospitality invitation.

Employees are expected to disclose any potential or actual conflict of interest to Human Resources and should see the [Employee Handbook](#) for further information.

## **4.2.2 Protecting Bank Information**

### **4.2.2.1 Confidential Information**

At RFA, information is one of our most valuable assets and much of our business information is confidential information. Confidential information is broad in scope and includes information about our customers, suppliers, and employees, as well as proprietary, intellectual, and copyright information about the Bank.

Employees are to maintain the confidentiality of information entrusted to them by the Bank, except where disclosure is to persons who are authorized to receive such information.

We acknowledge that it may be difficult on occasion to discern whether certain information is in fact confidential. As a cautionary measure, when you are uncertain as to whether information is confidential, no disclosure should be made without first consulting your supervisor. This basic policy of caution and discretion in handling of confidential information extends to both external and internal disclosure.

Employees should see the [Employee Handbook](#) for further information on the handling of material and confidential information.

### **4.2.2.2 Use of Information Systems and Social Media**

We expect that communications and information received or transmitted through our information systems will primarily have a business purpose. We recognize that employees will occasionally use these electronic communication systems for personal matters. We expect that employees' personal use will be



minimal and will not interfere with the conduct of our business.

Employees are responsible for the content of online personal social media accounts, personal websites, and/or blogs. Employees who make false claims, expressly stated or implied to be factual, that may harm the reputation of RFA, an individual, business, product, group, government, or nation through such social media, may be subject to civil or criminal actions. In addition, employees may face discipline, up to and including termination of employment for cause.

Protecting company assets against loss, theft or other misuse is every employee's responsibility. Loss, theft and misuse of company assets may result in financial loss and reputational damage. Any suspected loss, misuse or theft should be reported to your supervisor or Senior Management.

Employees should see the [Employee Handbook](#) regarding the use of RFA's information systems and specific guidelines surrounding online social community pages, personal websites, and blogs.

### **4.2.3 Professional Conduct and Personal Integrity**

Employees are expected to act in a professional manner and with personal integrity in all dealings with colleagues, business partners, clients, customers, stakeholders, and the public. Employees should see the [Employee Handbook](#) for further information.

While all employees share the responsibility to adhere to the Code and conduct business in a fair and honest manner, Managers have additional responsibilities to promote integrity and to model RFA Bank values. As company leaders, they are responsible for setting the tone at the top by reinforcing the importance of following the Code and policies with their teams and demonstrating these behaviors through their own conduct. They must maintain an environment where colleagues feel comfortable raising risks, issues, and ethical concerns, and take appropriate action to ensure that misconduct or concerns are addressed promptly. Managers will be held responsible for failure to take action to address or escalate issues or misconduct appropriately.

#### **4.2.3.1 Criminal Record**

If you are charged with, and/or found guilty of a criminal offence, you must promptly inform the Human Resources Department. There may be consequences up to and including termination of employment if you are found guilty of a criminal offence.

#### **4.2.3.2 Substance Abuse**

Employees are expected to perform their related work in a safe manner, free of the influence of alcohol, intoxicating drugs, or controlled substances. The use of alcohol, intoxicating drugs, or controlled substances in the workplace will not be tolerated: there may be employment consequences including the termination of employment depending on the situation.

### **4.2.4 Health & Safety**

The health and safety of all employees is of the utmost concern to RFA. It is our responsibility to provide safe and healthy working conditions, as well as proper first aid facilities. It is not only RFA's responsibility to ensure workplace health and safety but also the responsibility of all those to whom this Code applies.

It is in the best interest of all parties to consider health and safety in every activity. Commitment to health and safety must form an integral part of this organization. The Bank is committed to protecting employees from injury and illness by establishing safe work practices in compliance with occupational health and safety legislation.

Employees should see the [Employee Handbook](#) or contact a member of the Health and Safety team for further information.

## 5. Monitoring & Reporting

### 5.1 Reporting to Compliance

If an employee becomes aware of any wrongful act or fraudulent offence or knows of any circumstance, event, deed, or action that could be detrimental to RFA's interests or its reputation for integrity, or if an employee is aware of any other breach of this Code, the employee is obliged to report such breaches directly to their supervisor or Human Resources, who will then report such matters to the Chief Compliance Officer. The employee may also choose to report such matters in the manner set out in the Whistleblowing Policy. Under RFA Bank's Whistleblower Program, all reporting in good faith is handled in confidentiality.

All cases of questionable activity involving the code or other potentially improper actions will be reviewed for appropriate action, discipline, or corrective steps. Whenever possible, the identity of employees about or against whom allegations of violations are brought will be kept until it has been determined that a violation has occurred. Similarly, whenever possible, the identity of anyone reporting a possible violation will be kept confidential.

RFA will protect from retaliation individuals who, in good faith, reports actual, suspected, or potential breaches of the Code or violations of law, regulations or internal policies by all Directors, officers, permanent and temporary employees.

### 5.2 Reporting to Board and sub-committees

Compliance reporting will include relevant, complete, accurate and timely information provided to allow proper Board management oversight.

<i>Report</i>	<i>Preparer</i>	<i>Audience</i>	<i>Frequency</i>	<i>Description</i>
Policy Exceptions	CCO	GCRCC	As required	Issues of non-compliance with this Policy with remedial action plans.
Compliance Report			Quarterly	

### 5.3 Attestation

Annually, the Bank expects all Directors, officers, permanent and temporary employees and independent contractors of the Bank to submit an attestation affirming their knowledge and understanding of, and compliance with, the Code of Conduct and a commitment to disclose any transactions where it might appear to an outsider that this Code or any of its related policies have not been observed. This process is delivered through the annual Code of Conduct training provided through the Bank's learning application.

## 6. Oversight & Authority

### 6.1 Owner

The Chief Executive Officer, supported by the Chief Compliance Officer, has ownership of the Code.

### 6.2 Policy Compliance

Independent monitoring of the Code and certification of compliance is the responsibility of the Chief Compliance Officer, with input from the Chief Internal Auditor and Director, Human Resources.

All instances of non-compliance with the Code must be logged and reported to the Chief Executive Officer, and/or the Board of Directors on a timely basis by the Chief Compliance Officer.

The CCO in coordination with General Counsel and/or HR has duty to investigate any case involving a

potential conflict of interest or prohibited act by any means that it deems appropriate including seeking expert counsel to determine if any action is necessary or advisable.

As part of the Bank’s commitment to integrity, employees are required to cooperate with all internal investigations and, subject to the advice of the General Counsel, external regulatory and other investigations. Employees are expected to be honest in their dealings with internal and external auditors or with members of Senior Management responsible for making disclosure decisions.

Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson.

Contravention of any provision of the Code or other corporate policies may result in disciplinary action, up to and including termination of employment for cause, in addition to possible civil, criminal, and regulatory action. Such contravention may also affect individual performance assessment and compensation. Employees are encouraged to see their supervisor or Human Resources regarding any questions they may have regarding the Code.

### 6.3 Policy Review

This policy will be reviewed according to the Board policy review schedule. The review is completed to ensure that the Policy remains consistent with business strategy, internal practices, industry practices and applicable regulatory requirements.

### 7. Change Log

<i>Version</i>	<i>Approval Date</i>	<i>Made By</i>	<i>Description</i>	<i>Approved By</i>
2.0	April 2022	CCO and Director. HR	-	Board
3.0	May 2023	CCO and Director. HR	Annual review: The policy has been updated to include: <ul style="list-style-type: none"> <li>• The underlying theme of ethical behaviour and doing what's right.</li> <li>• The Bank’s values and mission and relating them to the conduct expectations</li> <li>• The Bank’s risk appetite</li> <li>• Speaking up about any concerns and asking Clarity on conflict of interests</li> <li>• Clear message prohibiting retaliation against reports of misconduct</li> </ul>	Board
4.0	May 2024	CCO and Director. HR	Annual review: The policy has been updated to include: <ul style="list-style-type: none"> <li>• Information to align with expectations of OSFI’s integrity and Security Guideline.</li> <li>• Updates to sections; 4.1.7 Fraud, Bribery and Corruption, 4.2.1 Conflict of Interest, 4.2.2 Protecting Bank Information, 4.2.3 Professional Conduct and Personal Integrity, 5.1 Reporting to Compliance; 6.2 Policy Compliance</li> </ul>	Board