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| EFFECTIVE: 2016/02/01 | REPLACES: 2012/12/07 | | |
| APPROVED BY: BOARD OF DIRECTORS | APPROVED ON: 2015/12/10 | | |
| OWNER: VICE-PRESIDENT, CORPORATE SERVICES AND CORPORATE SECRETARY | | | |
| CODE OF ETHICS, CONDUCT AND CONFLICT OF INTEREST FOR CATSA EMPLOYEES | | | |

1. Objectives

This Code outlines the values and expected behaviours that guide CATSA employees in all activities related to their professional duties. By committing to these values and adhering to the expected behaviours, CATSA employees strengthen the ethical culture of CATSA and contribute to public confidence in the integrity of all public institutions.

This Code also plays a central role in CATSA’s commitment to help employees achieve the highest ethical standards possible in their professional activities and relationships by setting out clear expectations.

2. Policy Statement

In addition to fostering an exemplary image and culture, this Code aims to promote public and employee confidence in CATSA by describing what the public can expect from CATSA and its employees, and what we can expect from one another at CATSA.

3. Application

The Code applies to the activities and conduct of all indeterminate and fixed-term employees of CATSA.

This Code does not apply to persons under contract with CATSA, unless expressly stated in their contract. Nonetheless, any information disclosed to CATSA respecting violations of this Code by any person under contract with CATSA, regardless of what their contract states, will be addressed as deemed appropriate.

4. Definitions

In the event of any ambiguity or where there is nothing in this Code to guide a CATSA employee in a specific decision-making exercise, reference should be made to existing Treasury Board Secretariat policies and guidelines with respect to the applicable matter. Where there is no applicable Treasury Board policy, employees should refer the matter to their manager. When in doubt, managers are encouraged to consult with CATSA’s OPI, who will provide guidance.

“**Annual Declaration of Compliance**” means a form substantially in the format attached as Schedule 1 to this Code, which confirms an employee’s understanding and compliance with this Code during the immediately preceding fiscal year.

“Conflict of interest” means a situation in which the employee has private interests that could improperly influence the performance of his or her official duties and responsibilities or in which the employee uses his or her office for personal gain. A *real* conflict of interest exists at the present time, an *apparent* conflict of interest could be perceived by a reasonable observer to exist, whether or not it is the case, and a *potential* conflict of interest could reasonably be foreseen to exist in the future.

“Manager” means the direct supervisor of an employee.

“Office of Principal Interest” or **“OPI”** means the CATSA officer or employee that has been delegated the responsibility for administering this Code by the President and CEO.

“Personal interest” means an interest that could cast a doubt on an employee’s ability to act with complete objectivity with regard to their official duties which may include, for example and without limitation, a financial interest, a close personal relationship or a favour or debt that needs repayment.

“Political activities” mean any activity in support of, within or in opposition to a political party; carrying on any activity in support of or in opposition to a candidate before or during an election period; or, seeking nomination as or being a candidate in an election before or during the election period.

“Senior Management Committee” or **“SMC”** means a committee comprised of the President and CEO and Vice-Presidents of CATSA.

5. Accountabilities

5.1 The President and CEO - is accountable for the day-to-day operations of CATSA and is ultimately accountable for ensuring there are clear standards relating to ethics, conduct and conflict of interest to assist employees in performing their duties. Accountability for administration of the Code has been delegated to the Vice-President responsible for Human Resources.

5.2 The Vice-President responsible for Human Resources - is accountable for administering this Code and as designated Senior Officer for Disclosure is accountable for supporting the President and CEO in meeting the requirements of the *Public Servants Disclosure Protection Act* (“**PSDPA**”) which includes:

- Promoting a positive environment for disclosing wrongdoing;
- Dealing with disclosures of wrongdoing made by employees;
- Providing information, advice and guidance to employees regarding CATSA's internal disclosure procedures, including the making of disclosures, the conduct of investigations into disclosures, and the handling of disclosures made to supervisors;
- Receiving, recording and reviewing disclosures to establish whether there are sufficient grounds for further action under the PSDPA;
- Managing investigations into disclosures, including determining whether to deal with a disclosure under the PSDPA, initiate an investigation or cease an investigation;
- Coordinating handling of a disclosure with the senior officer of another federal public sector organization, if a disclosure or an investigation into a disclosure involves that other organization;

- Notifying the person(s) who made a disclosure in writing of the outcome of any review and/or investigation into the disclosure and on the status of actions taken on the disclosure, as appropriate; and
- Reporting the findings of investigations, as well as any systemic problems that may give rise to wrongdoing, directly to the President and CEO, with recommendations for corrective action, if any.

5.3 Managers are accountable for ensuring employees are aware of the Code and providing advice and assistance to employees in matters relating to this Code.

5.4 Employees are accountable for abiding by this Code and demonstrating the values of the CATSA in their actions and behaviours. Furthermore, employees must also adhere to the behavioural expectations set out in this Code. If an employee does not abide by these values and expectations, he or she may be subject to administrative or disciplinary measures up to and including termination of employment. Employees are accountable at all times to:

- Remain familiar with the provisions of this Code;
- Respect their commitments and obligations (as set out in applicable laws, policies, this Code and their employment agreement); and
- Report any wrongdoing which occurs in the workplace.

6. Requirements

PART 1 - STATEMENT OF VALUES AND EXPECTED BEHAVIOURS

Employees are expected to conduct themselves in accordance with the values and behaviours set out in this Code and in the Treasury Board of Canada Secretariat's *Values and Ethics Code for the Public Sector*. Acceptance of these values and adherence to the expected behaviours listed in this Code is a condition of employment for every employee at CATSA, regardless of their level or position. These values are a compass to guide employees in everything they do. They cannot be considered in isolation from each other as they will often overlap.

6.1 Respect for Democracy

The system of Canadian parliamentary democracy and its institutions are fundamental to serving the public interest. CATSA employees recognize that elected officials are accountable to Parliament, and ultimately to the Canadian people, and that a non-partisan public sector is essential to our democratic system.

Employees shall uphold the Canadian parliamentary democracy and its institutions by:

- Respecting the rule of law and carrying out their duties in accordance with legislation, policies and directives in a non-partisan and impartial manner.
- Loyal carrying out the lawful decisions of their leaders and supporting ministers in their accountability to Parliament and Canadians.

- Providing decision makers with all the information, analysis and advice they need, always striving to be open, candid and impartial.

6.2 Respect for People

Treating all people with respect, dignity, and fairness is fundamental to our relationship with the Canadian public and contributes to a safe and healthy work environment that promotes engagement, openness, and transparency. The diversity of our people and the ideas they generate are the source of our innovation. Employees shall respect human dignity and the value of every person by:

- Treating every person with respect and fairness.
- Valuing diversity and the benefit of combining the unique qualities and strengths inherent in a diverse workforce.
- Helping to create and maintain safe and healthy workplaces that are free from harassment, discrimination and violence.
- Working together in a spirit of openness, honesty and transparency that encourages engagement, collaboration and respectful communication.

6.3 Integrity

Integrity is the cornerstone of good governance and democracy. By upholding the highest ethical standards, employees conserve and enhance public confidence in the honesty, fairness and impartiality of CATSA and, by extension, the federal public sector. Employees shall serve the public interest by:

- Acting at all times with integrity and in a manner that will bear the closest public scrutiny, an obligation that may not be fully satisfied by simply acting within the law.
- Never using their official roles to inappropriately obtain an advantage for themselves or to advantage or disadvantage others.
- Taking all possible steps to prevent and resolve any real, apparent or potential conflicts of interest between their official responsibilities and their private affairs in favour of the public interest.
- Acting in such a way as to maintain their employer's trust.

6.4 Stewardship

Employees are entrusted to use and care for public resources responsibly, for both the short term and long term. Employees shall use resources responsibly by:

- Effectively and efficiently using the public money, property and resources managed by them.
- Considering the present and long-term effects that their actions have on people and the environment.
- Acquiring, preserving and sharing knowledge and information as appropriate.

6.5 Excellence

Excellence in the design and delivery of policies, programs and services is beneficial to every aspect of Canadian public life. Engagement, collaboration, effective teamwork and professional development are all essential to a high-performing organization. Employees shall demonstrate professional excellence by:

- Providing fair, timely, efficient and effective services that respect Canada's official languages.
- Continually improving the quality of policies, programs and services they provide.
- Fostering a work environment that promotes teamwork, learning and innovation.

6.6 Applying and interpreting expected behaviours

The expected behaviours are not intended to respond to every possible ethical issue that might arise in the course of an employees' daily work. When these issues arise, employees are encouraged to discuss these matters with their manager. Employees may also seek advice and support from Human Resources or the OPI.

6.7 Reporting a potential breach

Employees at all levels are expected to resolve issues in a fair and respectful manner and consider informal processes such as dialogue or mediation.

Where an employee has reason to believe that a breach of these expected ethical behaviours has occurred, employees should report the circumstances to their manager. Employees may also report to Human Resources or the OPI. In the event that the matter relates to the President and CEO or a member of the Board of Directors, the report may be submitted to the Chairperson of the Board of Directors.

If an employee wants to raise a concern but does not feel comfortable having their identity revealed to the alleged offender, the information may be submitted anonymously either to the OPI directly or through the electronic web-based third-party service provider, "ClearView Connects", or toll-free hotline.

For more information on enforcement of this Code and complaints, employees may refer to the [Respectful Workplace Procedure](#).

6.8 Reporting under the PSDPA

The President and CEO designates the Vice-President responsible for Human Resources as CATSA's Senior Officer for Disclosure.

As provided by Sections 12 and 13 of the PSDPA, if an employee has information that could indicate a serious breach of this Code, they can bring this matter to the attention of their immediate supervisor, the Senior Officer for Disclosure or the Public Sector Integrity Commissioner.

Members of the public who have a concern that an employee has not acted in accordance with this Code can bring the matter to the Senior Officer for Disclosure or to the Public Sector Integrity Commissioner to disclose a serious breach of this Code.

For any matter in this Code requiring a determination by the President and CEO, the OPI or the Senior Officer for Disclosure, such parties may consult with, and disclose all relevant information to, appropriate parties, including without limitation, the SMC, members of the Board of Directors, inside or outside legal counsel, other outside consultants and/or other federal agencies, as necessary to ensure the proper application of this Code and their decision-making authority.

For more information on making a disclosure under the PSDPA, employees may refer to the [Disclosure of Wrongdoing Procedure](#).

PART 2 – CONFLICT OF INTEREST AND POST-EMPLOYMENT MEASURES

The conflict of interest and post-employment requirements are grounded in and serve to uphold the values contained in this Code. By upholding these ethical standards, employees conserve and enhance public confidence in the honesty, fairness and integrity of CATSA.

Employees are advised of paragraph 121(1) (c) of the *Criminal Code*, which states:

“Every one commits an offence, who: (...)being an official or employee of the government, demands, accepts, or offers or agrees to accept, from a person who has dealings with the government, a commission, reward, advantage or benefit of any kind directly or indirectly, by himself or through a member of his family or through any one for his benefit, unless he has the consent in writing of the head of the branch of government that employs him or of which he is an official, the proof of which lies on him”.

Employees, while not directly employed by the government, are likely to be subject to this provision of the Criminal Code, given that CATSA is for all purposes an agent of Her Majesty in Right of Canada (ref. Section.5(2), CATSA Act).

6.9 Prevention of Conflict of Interest

An employee maintains public confidence in the objectivity of CATSA by preventing and avoiding situations that could give the appearance of conflict of interest, result in a potential for conflict of interest, or result in an actual conflict of interest. Conflict of interest does not relate exclusively to matters concerning financial transactions and the transfer of economic benefit. While financial activity is important, it is not the sole source of conflict of interest situations.

It is impossible to foresee every situation that could give rise to a real, apparent or potential conflict of interest. When in doubt, employees should refer to the requirements found in this Code to guide appropriate action. Employees can also seek guidance from their manager or the OPI. Employees are responsible for:

- Taking all possible steps to recognize, prevent, report, and resolve any real, apparent or

- potential conflicts of interest between their official responsibilities and their private affairs;
- Unless otherwise permitted in this Code, refraining from having private interests, which would be unduly affected by CATSA's actions in which they participate;
 - Not knowingly taking advantage of, or benefiting from, information that is obtained in the course of their official duties that is not available to the public;
 - Refraining from the direct or indirect use of, or allowing the direct or indirect use of CATSA property of any kind, including property leased to the government, for anything other than officially approved activities;
 - Not assisting private entities or persons in their dealings with CATSA where this would result in preferential treatment of the entities or persons.
 - Not interfering in the dealings of private entities or persons with CATSA in order to inappropriately influence the outcome;
 - Maintaining the impartiality of CATSA and not engaging in any outside activity that impairs or could be seen to impair their ability to perform their duties in an objective manner;
 - Refraining from either public criticism of CATSA¹; and
 - Maintaining separation of any political activity from his or her role as a CATSA employee.

6.10 Requirements during employment

- 6.10.1 Assets. Employees are required to evaluate their assets, taking into consideration the nature of their official duties and the characteristics of their assets. If there is any real, apparent or potential conflict of interest between the varying out of their official duties and their assets, they are to report this matter to the OPI in a timely manner.

Where the OPI determines that any of these assets results in a real, apparent or potential conflict of interest in relation to their duties and responsibilities, employees may be required to divest those assets, in accordance with applicable Treasury Board Secretariat directives. Employees may not sell or transfer assets to family members or anyone else for the purpose of circumventing the compliance requirements.

- 6.10.2 Outside employment or activities. Employees may engage in employment outside of CATSA and take part in outside activities unless the employment or activities are likely to give rise to a real, apparent or potential conflict of interest or would undermine the impartiality of the CATSA or the objectivity of the employee.

Employees are required to provide a written report to the OPI when their outside employment or activities might subject them to demands incompatible with their official duties, or cast doubt on their ability to perform their duties or responsibilities in a completely objective manner. The President and CEO or the OPI may require that the outside activities be modified or terminated if it is determined that a real, apparent or potential conflict of interest exists.

¹ It is not considered to be public criticism when an employee reports information as an inherent part of an organization's mandate, or makes a protected disclosure subject to the PSDPA.

Any employee considering involvement in political activity should seek the advice of their manager the OPI, or a human resources representative before acting.

Employees are required to seek and obtain permission from the OPI to seek nomination for or be a candidate in a federal, provincial, territorial or municipal election.

Any employee who wishes to engage in a political activity that could constitute a conflict of interest is required to report in writing the proposed activity to the OPI.

- 6.10.3 Gifts, hospitality and other benefits. Employees are expected to use their best judgment to avoid situations of real, apparent or potential conflict of interest by considering the following criteria on gifts, hospitality and other benefits and in keeping with values and expected behaviours outlined in this Code.

Employees are not to accept any gifts, hospitality or other benefits that may have a real, apparent or potential influence on their objectivity in carrying out their official duties and responsibilities or that may place them under obligation to the donor. This includes activities such as free or discounted admission to sporting and cultural events, travel or conferences.

The acceptance of gifts, hospitality and other benefits is permissible if they are infrequent and of minimal value, within the normal standards of courtesy or protocol, arise out of activities or events related to the official duties of the employee concerned, and do not compromise or appear to compromise the integrity of the employee concerned or CATSA.

Employees are to seek written direction from the President and CEO where it is impossible to decline gifts, hospitality or other benefits that do not meet the principles set out above, or where it is believed that there is sufficient benefit to the organization to warrant acceptance of certain types of hospitality. The President and CEO will then notify the employee in writing whether the gifts, hospitality and other benefits are to be declined or retained by the organization, donated to charity, disposed of, or retained by the employee concerned.

- 6.10.4 Solicitation. At no time should employees solicit gifts, hospitality, other benefits or transfers of economic value from a person, group or organization in the private sector that, the employee is aware, has dealings with CATSA.

In the case of fundraising for charitable organizations, employees should ensure they have prior authorization from the President and CEO or, where the decision-making authority is delegated, from the OPI, to solicit donations, prizes or contributions in kind from external organizations or individuals that have dealings with CATSA. The President and CEO may require that the activities be curtailed, modified or terminated where it is determined that there is an actual, apparent or potential conflict of interest or an obligation to the donor.

- 6.10.5 Avoidance of preferential treatment. Employees are responsible for demonstrating objectivity and impartiality in the exercise of their duties and in their decision-making, whether related to staffing, financial awards or penalties to external parties, transfer payments, program operations or any other exercise of responsibility.

This means that employees are prohibited from granting or directing others to grant preferential treatment or advantages to family, friends or any other person or entity. Employees are not to offer extraordinary assistance to any entity or persons dealing with the CATSA without the knowledge and support of their manager. They also are not to disadvantage any entity or persons dealing with CATSA because of personal antagonism or bias.

Providing information that is publicly accessible is not considered preferential treatment.

- 6.10.6 Reporting. Employees are required to report in writing to the OPI, using the form attached as Schedule 2 (Confidential Report), all outside activities, assets and interests that might give rise to a real, apparent or potential conflict of interest in relation to their official duties. Such a report is to be made within sixty (60) days of their initial appointment or any subsequent appointment, transfer or deployment.

On a regular basis thereafter, and every time a major change occurs in their personal affairs or official duties, every employee is required to review his or her obligations under this Code. If a real, apparent or potential conflict of interest exists, he or she is to file a written report to the OPI in the form attached as Schedule 2 (Confidential Report) in a timely manner.

When negotiating financial arrangements with outside parties, employees are to comply with the requirements listed in this Code as well as other related directives or policies issues by CATSA. When in doubt, employees are to immediately report the situation to their manager in order to seek advice or direction on how to proceed.

- 6.10.7 Conflict of Interest of the OPI or President. In the event the OPI is faced with circumstances of actual, apparent or potential conflict of interest or other matter set out herein that would normally be referred to the OPI, the OPI shall comply with these matters by addressing the matter in accordance with these measures but with the President and CEO.

In the event that the President and CEO is faced with circumstances of actual, apparent or potential conflict of interest or other matter set out herein that would normally be referred to the OPI, the President and CEO shall comply with these matters by addressing the matter in accordance with these measures but with the Chair of the Board of Directors.

6.11 Requirements post-employment

Employees have a responsibility to minimize the possibility of real, apparent or potential conflict of interest between their most recent responsibilities within CATSA and their subsequent employment outside CATSA.

- 6.11.1 Before leaving employment. Before leaving their employment with CATSA, all employees are to disclose their intentions regarding any future outside employment or activities that may pose a risk of real, apparent or potential conflict of interest with their current responsibilities and discuss potential conflicts with their manager or the OPI.
- 6.11.2 Post-employment limitations. The President and CEO is responsible for designating positions of risk for post-employment conflict of interest situations. The President and CEO designates

all employees classified at a Level 8 or higher as subject to the measures described in this subsection 9.10.2. Notwithstanding the foregoing, the President and CEO may, from time to time, designate such other positions as subject to the within measures.

Employees in these designated positions are subject to a one-year limitation period after leaving CATSA. Before leaving CATSA and during this one-year limitation period, these employees are to report to the President and CEO all firm offers or employment or proposed activity outside CATSA that could place them in a real, apparent or potential conflict of interest with their CATSA employment. They are to also disclose immediately the acceptance of any such offer.

In addition, these employees may not do the following during the one year period, without the President and CEO's authorization:

- accept appointment to a board of directors of, or employment with, entities (other than the federal government or agents thereof) with which they personally, or through their subordinates, had significant official dealings during the period of one (1) year immediately prior to the termination of their service;
- make representations for, or on behalf of, persons (other than the federal government or agents thereof) to any federal department or organization with which they personally, or through their subordinates, had significant official dealings during the period of one (1) year immediately prior to the termination of their service; or
- give advice to their clients or employer using information that is not available to the public concerning CATSA programs or policies with which they were employed or with which they had a direct and substantial relationship.

6.11.3 Waiver or reduction of limitation period. An employee or former employee may apply to the President and CEO for a written waiver or reduction of the limitation period. The employee is to provide sufficient information to assist the President and CEO in making a determination as to whether to grant the waiver taking into consideration the following criteria:

- the circumstances under which the termination of their service occurred;
- the general employment prospects of the employee;
- the significance of information possessed by the employee by virtue of that individual's position at CATSA;
- the desirability of a rapid transfer of the employee's knowledge and skills from CATSA to private, governmental or non-governmental sectors;
- the degree to which the new employer might gain unfair commercial or private advantage by hiring the employee;
- the authority and influence possessed by the employee while in CATSA, and the disposition of other cases; and
- any other consideration at the discretion of the President and CEO.

A decision by the President and CEO to waive or reduce a post-employment restriction or limitation must be recorded in writing.

6.12 Interpretation and Resolution

With respect to the interpretation of requirements and arrangements necessary to prevent real, apparent, or potential conflict of interest, or to comply with the requirements during and post-employment set out in s.6.9 and 6.10 above, it is expected that situations will be resolved through discussion and agreement between the employee and the OPI or as required, the President and CEO. When an employee and the OPI or the President and CEO disagree on the appropriate arrangements to resolve a real, apparent, or potential conflict of interest, the disagreement will be resolved by escalation to the President and CEO or the Chairperson of the Board as applicable.

7. Reviews and Amendments

The Vice-President responsible for Human Resources shall review this policy at least once every three (3) years. Any substantive amendments to this policy must be approved by the Board of Directors.

8. Related Documents

CATSA Documents:

- *Respectful Workplace Policy*
- *Respectful Workplace Procedure*
- *Disclosure of Wrongdoing in the Workplace Procedure*
- *Annual Statement of Compliance Form*
- *Confidential Report*
- *Internal Disclosure Form*

Treasury Board Documents:

- *Values and Ethics Code for the Public Sector*
- *Policy on Conflict of Interest and Post-Employment*

Legislation:

- *Canadian Human Rights Act*
- *Public Servants Disclosure Protection Act (PSDPA)*

SCHEDULE 1

Annual Statement of Compliance

In support of CATSA's goal of corporate excellence, employees are expected to, at all times, remain familiar and comply with the *Code of Ethics, Conduct and Conflict of Interest for CATSA Employees* (the "**Code**"). To this end, and to ensure we are regularly reminded of the importance of upholding the principles and guidelines of the Code, and complying with these, all employees are required to sign this Annual Statement of Compliance and return it to Human Resources.

The undersigned ("I") acknowledges and confirms the following:

- I have recently read and understood the Code and am familiar with its contents as of the date of signature below. Where I have not understood any element of the Code, I have obtained clarification from my manager, the OPI and/or CATSA legal counsel.
- I have recently read and understood the *Respectful Workplace Policy and Procedure*. In particular, I am aware employees are encouraged to consult with Human Resources for assistance at any time there are concerns about conduct and behaviour in the workplace. If the issue remains unresolved, different complaint procedures exist, including the option to disclose the information anonymously through either the third-party service provider's web-based portal or telephone hotline.
- I undertake to comply with the provisions of the Code and understand that any violation of the Code will be treated as a serious matter and may lead to dismissal and/or prosecution.

Applicable for fiscal year ending on March 31, _____.

Printed Name: _____

Signature: _____

Date: _____

SCHEDULE 2

Confidential Report

REPORT OF ASSETS, LIABILITIES AND PARTICIPATION IN OUTSIDE EMPLOYMENT AND OTHER ACTIVITIES SUBJECT TO CONFIDENTIAL REPORT IN ACCORDANCE WITH THE CODE OF ETHICS AND CONDUCT

| | |
|-----------------|----------------|
| Name (Print) | Position title |
| Branch/Division | Place of work |

Note: if space below is insufficient, attach second page

In compliance with the *Code of Ethics, Conduct and Conflict of Interest for CATSA Employees*, I hereby disclose the following non-exempt assets, direct and contingent liabilities and outside employment and other activities, which I fully understand may have to be divested, curtailed or modified if it is determined that such assets, liabilities or activities give rise to an actual, apparent or potential conflict of interest in respect of the duties and responsibilities of the position offered to or occupied by me:

Description of Assets:

Description of Liabilities:

Description of Outside Activities:

Signature

Date

Privacy Statement
The information you provide on this confidential report is collected under the provisions of the *Code of Conduct and Ethics for CATSA Employees* for the purposes of ensuring compliance and maintaining information about actual, apparent or potential conflict of interest situations for employees and officers of CATSA. Personal information that you provide is protected under the provisions of the *Privacy Act*.

