

Code  
of Conduct and Ethics



## Table of Contents

|  | <u>Page</u> |
|--|-------------|
| I THE BANK'S CORPORATE VISION AND VALUES .....                           | 1           |
| II THE PURPOSE OF THE CODE .....   | 2           |
| III SCOPE OF APPLICATION .....   | 2           |
| IV DEFINITIONS .....   | 3           |
| V BASIC PRINCIPLES.....  | 5           |
| A) ACT WITH HONESTY, LOYALTY AND INTEGRITY .....                         | 5           |
| - Respect for clients.....   | 5           |
| - Relations with shareholders .....                                      | 6           |
| B) COMPLY WITH THE LAW .....   | 7           |
| - Compliance with the Law .....  | 7           |
| - Fraudulent transactions, money laundering and terrorist financing..... | 8           |
| C) TREAT OTHERS WITH RESPECT .....                                       | 9           |
| - Employee relations .....   | 9           |
| - Relations with the community .....                                     | 10          |
| D) SAFEGUARD THE CONFIDENTIALITY OF INFORMATION .....                    | 11          |
| - Respect for confidentiality .....                                      | 11          |
| E) AVOID CONFLICTS OF INTEREST .....                                     | 13          |
| - Conflicts of interest .....  | 13          |
| - Gifts, entertainment and payments.....                                 | 14          |
| - Privileged or inside information .....                                 | 15          |
| - Trading in Bank securities.....  | 16          |
| F) RESPECT THE ORGANIZATION.....   | 17          |
| - Respect for the organization.....                                      | 17          |

|      |  |    |
|------|--|----|
| -    | Protecting computerized data and using electronic networks ..... | 17 |
| -    | Relations with the media .....                                   | 18 |
| -    | Bank funds.....  | 18 |
| -    | External activities.....   | 19 |
| -    | Records and vouchers .....                                       | 19 |
| VI   | ANNUAL ACKNOWLEDGEMENT AND UNDERTAKING TO RESPECT THE CODE ..... | 21 |
| VII  | INQUIRIES AND REPORTING .....                                    | 22 |
| VIII | PENALTIES.....   | 23 |
| IX   | GENERAL NATURE OF CODE.....                                      | 23 |
| X    | RESOURCES DEDICATED TO THE APPLICATION OF THE CODE .....         | 24 |

**N.B.:** In this document, the masculine gender designates both sexes with no discrimination intended, and is used only to facilitate reading.

# I THE BANK'S CORPORATE VISION AND VALUES

Our **vision** defines what the National Bank of Canada and its subsidiaries (hereinafter, the "Bank") wants to become. It sets targets that go beyond our short-term objectives and inspire our actions over the long term.

"A financial leader in Quebec, National Bank of Canada is recognized by its clients as a group that meets their needs and is easy to do business with.

Our agility compared to our competitors and our employees' commitment set us apart. Our financial performance is in the top quartile of our industry in Canada."

The achievement of this vision depends on all employees' behaviour being above reproach, in keeping with the Bank's **values**. These values bring together and make sense of the organization's main fields of activity.

## *Client satisfaction*

Our clients are the focus of our concern and the reason for our success.

## *Integrity*

We understand the importance of uncompromising ethics in ensuring respect for our clients and the communities we serve as well as compliance with laws and regulations.

## *Performance*

We are oriented toward success and focused on performance. No effort is spared as we constantly strive to new heights and take pride in providing reliable and professional service.

## *Cooperation and team spirit*

We all work toward a common goal; individual success is defined by team success.

## *Efficiency*

We demonstrate efficiency, drive and competence in everything we do.

## *Innovation*

We are able to think outside the box, propose innovative products and services and develop new ways to work. We are active players in the rapidly changing world of financial institutions.

## **II THE PURPOSE OF THE CODE**

The purpose of this Code of Conduct and Ethics (the "Code") is to define the behaviour that the Bank expects of its employees in order to safeguard the reputation enjoyed by the Bank and its subsidiaries, both in Canada and abroad, by establishing rules of conduct with respect to confidentiality, conflict of interest and professional conduct.

For us to achieve our goal and maintain the public's trust and preserve the quality of the work environment, we must abide by the six basic principles below and apply them in our day-to-day operations.

- Act honestly and with integrity
- Comply with the law
- Treat others with respect
- Safeguard the confidentiality of information
- Avoid conflicts of interest
- Respect the organization

## **III SCOPE OF APPLICATION**

This Code applies to all employees and officers of the Bank and its subsidiaries and, insofar as the provisions of the Code are applicable to them, to the directors.

Managers who retain the services of interns, contract employees, consultants, agents, mandataries and service providers will give them a copy of the Bank's Code and ensure that they undertake to follow the rules that it contains in the course of their business relationship with the Bank.

The rules set out in this Code are to be applied at all times and in all places when carrying out Bank duties, be they of a professional or social nature.

In order to support you in the application of this Code, a procedure for inquiries and reporting has been established.

## **IV DEFINITIONS**

The legal or technical terms used in this Code are defined as follows:

### **Bank**

National Bank of Canada and its subsidiaries.

### **Collusion**

Secret agreement between two parties intended to deprive a third party of rights.

### **Confidential information**

Any information that should only be disclosed to a limited number of persons authorized by the Bank. Confidential information requires tighter security measures. It includes personal information in particular.

### **Conflict of interest**

Any real, apparent or perceived situation that compromises the independence and impartiality necessary to exercise a function within the Bank and that could directly or indirectly, lead the person to choose:

- between the Bank's interests or his clients' interests and his own personal interests, his business interests or the interests of a person related to him in any way
- between the interests of two of his clients

Also includes any situation that could eventually affect the person's judgment, integrity and loyalty to the Bank.

### **Employees**

Any members of the Bank's staff (full-time, part-time or temporary), including its officers.

### **Family**

Any family members, including spouse, children, grandchildren, siblings, parents, grandparents, aunts, uncles, nephews, nieces and family members of the spouse (legal or common-law).

### **Kiting**

Fraud made possible by the delay in clearing a cheque.

### **Lobbying**

Oral or written communication with a holder of federal or provincial public office concerning the decisions he should make.

### **Personal information**

Any information about a person which taken alone or in combination with other information allows that individual to be identified.

### **Privileged or inside information**

Any information that is still non-public and that could affect the decisions made by a reasonable investor or influence the value or market price of the securities of a public company, including information concerning:

- the issue of shares or debt securities

- a change in dividend policy
- a material change in management
- a material change in the business of the Bank or its clients

**Public company**

A company whose securities are publicly traded.

**Securities**

Any securities recognized as such in the industry.

## V BASIC PRINCIPLES

### A) ACT WITH HONESTY, LOYALTY AND INTEGRITY

We will carry on our business with respect for the privacy and reputation of others, for human rights based on equality and non-discrimination, and for the principles of honesty, loyalty and integrity.

#### - **Respect for clients**

##### *Contact with clients*

- Our relations with clients are founded on the principles of honesty, credibility and mutual trust. We will act with integrity, diligence and competence in order to respect these principles.
- In our dealings with clients, we abide by the principles set out in the Charter of Human Rights and Freedoms and treat all clients equally, free of all discrimination or harassment, regardless of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.
- We will demonstrate professionalism, transparency and integrity in all our communications with clients in order to provide complete information and advise them properly, without directly or indirectly misleading or deceiving them by action or omission.

##### *Advertising*

- The advertising that we use will be clear and accurate, and will at all times respect the standards set by the Bank.

##### *Transaction*

- We will be sure to provide full, frank disclosure in any transaction with clients of all rates, terms and conditions concerning products and services they purchase.

##### *Knowing our clients*

- We will use due diligence in finding out clients' personal financial situations, such as their needs, knowledge of investments, investment objectives and their tolerance to risk. In addition, we will inform them of the products and services which are best suited to their needs based on their personal financial situation.

*Advice*

- We will give advice and carry out transactions in accordance with our qualifications and position at the Bank; we will respect the limitations of our qualifications or registration with competent authorities, as applicable.

*Referrals*

- If we do not have the required certification or registration, we will refer clients who ask for advice on investments, securities, trusts or any other specialized matters to a qualified employee within the Bank or one of its subsidiaries. If we are unable to refer clients to such an employee, we will suggest that clients contact an external advisor of their choice.

*Forced selling*

- We will not exert any undue pressure to force a client to buy a product or service in order to obtain another product or service offered by the Bank. We will respect the Bank's policies regarding credit risk management and the instructions regarding customized pricing and cross-selling.

**Relations with shareholders**

- The information distributed to shareholders will be clear and concise.
- Financial information regarding the Bank will be disclosed regularly, notably through the publication of consolidated financial statements that present fairly, in all material respects, the Bank's financial position and operating results.

## B) COMPLY WITH THE LAW

At no time will we participate in any illegal activity or activity that may appear illegal, including activities outside our functions, and we will always comply with the legislation and regulations applicable to the Bank (the "Law"), both within Canada and abroad.

### - Compliance with the Law

#### *Compliance*

- We will at all times act in compliance with the letter and the spirit of the Law and avoid acts or voluntary omissions that could result in violation of the Law.
- Our by-laws, permanent instructions, policies, procedures and other sector codes of professional conduct in effect at the Bank will all be drafted in accordance with the Law. We must respect them at all times. Employees who work in certain sectors of activity are also bound to abide by the rules of conduct specific to their sector.

#### *Foreign countries*

- We will make sure that all operations, transactions and other actions carried out in a foreign country comply with Canadian legislation and any other legislation of a country or territory associated with such action. We will follow the applicable foreign legislation and we will not take any action intended to contravene these laws and regulations.

#### *Foreign public officials*

- We will act with the utmost caution when giving monies to foreign public officials. All relations with such officials will comply with the *Corruption of Foreign Public Officials Act* of Canada and the laws in effect in the foreign country.

#### *Orders and other professional authorities*

- Employees who, for the purpose of their position, must be members of professional orders or associations or holders of a certificate or licence delivered by a competent authority will at all times comply with the rules of membership and professional conduct established by such order, association or authority, and will ensure that they renew their certificate or registration. They are responsible for becoming familiar with the rules that apply to them and complying with them.

#### *Lobbying*

- We will conduct our lobbying activities in accordance with federal and provincial legislation on lobbying. We therefore report all lobbying activities to the responsible office so that the necessary reports can be filed with the appropriate registries within the requisite timeframe.

#### *Respecting our commitments*

- We have to respect our commitments to the community and the voluntary commitments the Bank has entered into by not exceeding the scope of the powers we have been attributed. Even if a step seems complex or useless, leaving it out could pose a significant risk for you, the Bank, your colleagues, our clients or our shareholders.

*Conflict with the Code*

- In the event of a conflict between this Code and any other by-laws, permanent instructions, policies, procedures or other codes, or legislation governing the Bank, we will comply with the rule that is most stringent.

*Competition*

- We will comply with the legislative provisions applicable to competition. We will not collude with other financial institutions or businesses 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. Furthermore, we will not enter into agreements with other financial institutions or businesses to avoid competition as regards certain products or regional markets.

*Reporting*

- When we are aware of an occurrence or a situation which is irregular or which may be in violation of the Law, of this Code or of Bank policies, we will promptly report it, in accordance with the reporting process set out in this Code.

**Fraudulent transactions, money laundering and terrorist financing**

*Fraudulent and illicit transactions*

- We will refrain from being directly or indirectly involved in fraudulent transactions.
- We will not, directly or indirectly, take part in unlawful activities such as theft, fraud, manipulation of accounting files or the issuing of NSF cheques covered by one or more other NSF cheques (kiting).

*Money laundering operations*

- 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

## C) TREAT OTHERS WITH RESPECT

Respect and non-discrimination characterize our relations with employees and the general public. We will not tolerate any form of harassment.

### - Employee relations

#### *Communication*

- We seek to foster communication and teamwork among employees. We will ensure that our communication is constructive, professional, transparent and effective, and that relevant information is exchanged when carrying out our duties, while ensuring the confidentiality of information.

#### *Discrimination*

- The Bank promotes a work environment free of all discrimination or harassment, as set out in the Harassment policy. The Bank takes all reasonable means available to ensure that no employee is subjected to discrimination or harassment, and undertakes to promote a healthy work environment and harmonious professional relations based on mutual trust and respect, so as to ensure the well-being of its employees.

#### *Attacks on dignity*

- If we become aware that a co-worker or other person is behaving in a way that could be prejudicial to an employee's dignity or could embarrass him, we must notify our superiors immediately.

#### *Ombudsman*

- We may also contact the Employee Relations Department or call the Employee Ombudsman, who handles all cases in a confidential manner.

#### *Diversity*

- The Bank is an inclusive organization that values all of its employees, without discriminating on the basis of their ethnic origin, religion, gender, age, sexual orientation, their limitations or any other grounds. The organization trains its employees and raises their awareness about diversity. We draw from inclusive best practices to provide a work environment where performance is valued and all employees can achieve their full potential. The Bank considers its diversity a major asset, especially as regards innovation.

#### *Health and safety*

- The Bank is committed to offering its employees a healthy, safe work environment and complying with all applicable legislation. The Bank expects its employees to avoid risks to their health and safety and help others to do so. It also expects them to report problems as soon as they arise.

#### *Alcohol and drugs*

- When carrying out our duties, whether on Bank premises or elsewhere, we may not possess or take illegal drugs or be under the influence of such drugs, or misuse prescription drugs. Similarly, when carrying out our duties on Bank premises or elsewhere or during activities organized or supervised by the Bank, we will be responsible in our consumption of alcohol and must at all times be in full possession of our faculties and behave professionally.

#### *Holding events*

- The manager's approval is required for social events in the workplace where alcohol is served. A permit from the appropriate liquor licensing authority may be required if alcohol is being sold. Furthermore, when alcohol is served at an internal or external Bank event, measures must be taken to limit consumption and ensure the safety of the event.

#### **Relations with the community**

##### *Supporting the community*

- Aware of its important role within the community, the Bank supports and finances projects aimed at enhancing the community's well-being.

##### *Participating in activities*

- The Bank encourages us to participate in community related activities whether related to education, culture or health and welfare, provided they do not interfere with our work at the Bank.
- However, we must be sure to obtain our manager's authorization to use the name of the Bank when we participate in these types of activities.

##### *Respect for the environment*

- Respecting and preserving the environment are an integral part of the Bank's social responsibilities. Although the nature of the services it offers limit the Bank's direct environmental impact, it can nevertheless play an important role by adopting responsible practices and encouraging its stakeholders to follow suit. As employees, we must act in accordance with the Bank's policies, especially as concerns credit and sourcing. We will adopt responsible practices in the course of our professional duties and report any potential environmental risks or improvements.
- In addition, our decisions, particularly with regard to credit matters, will take into account their impact on the environment and we will comply with Bank policies in this regard.

## D) SAFEGUARD THE CONFIDENTIALITY OF INFORMATION

We will maintain the accuracy, confidentiality, security and privacy of information we have concerning the Bank, employees, clients, suppliers and shareholders. To earn their confidence and protect their privacy, it is essential that we handle this information as carefully as possible.

### - **Respect for confidentiality**

#### *Confidentiality and security of information*

- We will respect the rules of use, maintain the confidentiality of information for which the Bank is responsible and only disclose that information to authorized persons. Without limiting the generality of the foregoing, records, internal reports, procedures, business plans, IT hardware, software and programs used at the Bank, applications for patents, trademarks, copyright, industrial designs, client lists, non-public financial results, strategies and methodologies specific to the Bank, agreements, audit reports and personal notes on client files are confidential and will not be disclosed without specific authorization.
- We will understand and comply with the Bank's policies regarding the protection of personal information and information regarding entities and regarding security of information, as well as the guidelines regarding the security of information, which are intended to ensure that information is kept confidential and secure at all times.
- In accordance with the above policies and guidelines, we will at all times be sure to safeguard any non-public information for which the Bank is responsible, whether it is on Bank premises or elsewhere, regardless of the means we use to disclose such information.
- Unless such disclosure is permitted by Law or required by court order, we will not disclose any confidential information acquired in the performance of our duties to third parties or other employees who are not on a "need-to-know" basis, including information regarding an employee, or the client status of an employee.
- We will pay particular attention and take the necessary steps to safeguard confidential information (personal information and information regarding entities) we acquire or use in the performance of our duties, and in particular by:
  - Not leaving files or documents containing confidential information where they can be seen by the public or other employees who are not involved, and by keeping them in a safe place where access is limited to individuals who require access to such information to carry out their duties;
  - Not publicly discussing Bank business in such a way as to compromise confidential information;
  - Complying with information security directives and being careful when using any computerized, electronic or communications equipment, media or tool, including laptops, mobile devices, and cellular phones;
  - Protecting our portable computer equipment, media and tools, and the information they contain, against theft or loss;

- Complying with corporate policies governing the protection of personal information and information regarding entities and information security when consulting or sending confidential information by fax or electronically;
- Taking appropriate measures to dispose of or transmit documents containing confidential information in order to preserve their confidential nature (encryption, shredding, archiving, etc.).

*Termination of employment and obligations*

- The obligations regarding confidentiality mentioned in this section must be respected at all times and continue to apply after termination of employment at the Bank. Employees who leave the Bank remain bound by the obligation to safeguard the privacy of confidential information, and are not permitted to solicit Bank employees, clients and suppliers for at least one year. Furthermore, any information belonging to the Bank or entrusted to the Bank must be returned to the Bank when employment ceases.

*Contract employees, consultants, suppliers, agents, mandataries and their obligations*

- When dealing with the Bank's contract employees, consultants, suppliers, agents and mandataries, we will ensure that they comply with standards that are as strict as those in effect at the Bank regarding confidentiality so as to protect the confidentiality of the information disclosed to them.

## E) AVOID CONFLICTS OF INTEREST

In order to maintain the trust of clients and of the general public and conduct ourselves with integrity and accountability, we will abide by the rules established by the Bank regarding situations that could result in a conflict of interest.

### - Conflicts of interest

We will take the measures required to avoid any real, potential or perceived conflicts of interest.

#### *Beneficiary of assets*

- If an employee learns that a client, other than a member of his family, has designated him as a beneficiary of his assets or property from his estate, he must inform his superior. The employee may be forced to refuse the bequest or cease carrying out transactions or managing accounts for the client if there is any real, potential or perceived conflict of interest.

- Without limiting the generality of the foregoing, it is particularly forbidden to:

#### *Undue benefits*

- Disclose or use information acquired in the performance of our duties for our own personal gain or that of someone else. This obligation continues to apply after termination of employment.
- Take advantage of a situation or a position for our own personal gain or that of a person related to us in any way.
- Influence or try to influence Bank negotiations or transactions for our own personal gain or that of a person related to us in any way.

#### *Executor for a client*

- Act as estate liquidator or executor for a client, whether or not we are remunerated, unless it can be clearly demonstrated that there is no conflict of interest. In this case, we must immediately inform our superior and, if applicable, cease managing this file.

#### *Trustee or agent for a client*

- Act as trustee or agent for a Bank client, even if that client is a family member, by agreeing (especially via a power of attorney) to sign or endorse cheques for his account, unless it can be clearly demonstrated that there is no conflict of interest.

#### *Favouring clients or suppliers*

- Give preferential treatment to, or unduly favour, certain clients or suppliers. We will comply with the framework for managing purchases and agreements with suppliers.

#### *Competing with the Bank*

- Operate a business which is a competitor of the Bank, hold a position as an officer or employee of a competitor, conduct business for a competitor or that promotes a competitor or hold a position that could interfere with our work at the Bank due to a potential conflict of interest.

*Working during business hours*

- Work for our own business or for that of a third party during business hours.

*Working on behalf of the Bank*

- Carry out a transaction, negotiate or conclude a contract on behalf of the Bank, particularly a loan agreement, involving ourselves or a family member living at the same address when such a transaction or contract involves making a decision like determining interest rates charged or paid. The same is true as concerns an enterprise, partnership or corporation in which we or a family member has an interest.

If the transaction or contract involves making a decision and implicates a family member not living at the same address as us, a person with whom we are close or an enterprise, partnership or corporation in which we or said family member has an interest, we must first disclose this situation to our immediate superior, who must check and countersign any such transaction, negotiation or contract.

*Beneficiary*

- Have someone other than those authorized in the Bank's policies benefit, directly or indirectly, from the banking advantages and privileges to which we are entitled as Bank employees.

*Other forbidden actions*

- The following actions are also forbidden unless we first obtain authorization from our immediate superior in writing:
  - Forming a partnership with or do business with a Bank client or supplier.
  - Using Bank equipment or the services of employees other than in the performance of our duties, except insofar as this use is reasonable and in accordance with the Bank's policies.
  - Performing activities not related to our duties during business hours.

*Reporting*

- It is impossible to draw up an exhaustive list of all situations that could constitute a conflict of interest. Therefore, when we are aware of an actual, potential or perceived conflict of interest, we must promptly report it to our superior or make the necessary inquiries as set out in the Code. Moreover, if we are personally involved in the situation, we must follow the recommendations or guidelines in this regard issued by our superior or those responsible for enforcing the Code.

**- Gifts, entertainment and payments**

*Accepting gifts, entertainment and payments*

- If an existing or potential client, consultant or supplier gives us a gift, hospitality, entertainment, service or other benefit, for ourselves, a person to whom we are related or close, or a third party, we are to exercise discretion before accepting it, taking into account the rules set out above regarding conflicts of interest, as well as the following:

- The spirit (circumstances and frequency) in which the gift or other benefit is given must be neutral and legitimate (i.e. done only in the spirit of business courtesy).
- The gift or other benefit must be of a reasonable value.
- The gift or other benefit must not influence in any way the decisions we make or will have to make in the performance of our duties.
- The gift or other benefit must not create a sense of obligation.
- The gift or other benefit must not create an embarrassing situation for ourselves or the Bank if it were known by the public.
- The value of the gift or other benefit would have been reimbursed by the Bank as a legitimate and reasonable expense had you had to pay for it. If in doubt, employees must consult their superior and follow his instructions.

*Types of gifts to be refused*

- Cash gifts or gifts in the form of cheques, gift certificates or lottery tickets must never be accepted, regardless of the circumstances in which they are offered.
- We are forbidden to accept directly or indirectly from an insurer that provides mortgage insurance against the default of a loan granted in Canada and secured by a mortgage on a residential building, any payment or benefit in respect of marketing or advertising or any promotional activities carried out by the Bank, the insurer or any other person.

*Charitable activities*

- We are forbidden to solicit or encourage the giving of gifts or entertainment by an existing or potential client, consultant or supplier, except if such solicitation is done on behalf of a charitable organization.

*Forbidden activities*

- We are forbidden to solicit, accept or offer discounts, secret commissions, bribes or other similar benefits in the performance of our duties. We must inform our superiors of any such occurrence involving another employee, a client, a supplier or a third party.

We must not behave in such a way as to suggest that we would accept any advantage listed in the preceding paragraph.

**Privileged or inside information**

*Disclosure of information*

- The disclosure of material information concerning the Bank required by securities authorities must comply with the rules set out in the applicable policy, in particular with respect to what information must be disclosed, when and how this information must be disclosed, to whom it must be disclosed, and who must disclose it.

*Privileged or inside information*

- When we have access to privileged information, we must comply with the applicable policy of the Bank that sets out our obligations regarding the use of privileged information, the restricted list, measures for protecting privileged information and firewalls. All individuals designated in this policy must comply with it at all times.
- Until such time as privileged information is duly disclosed to the public, we cannot use it or relay it for our own personal gain or that of others.

**Trading in Bank securities**

- Under the Bank Act and Canadian securities legislation, trading in the Bank's securities by insiders is regulated. We must comply with the regulations in effect.
- Under the Bank Act, trading in the Bank's securities by employees is also regulated. We must comply with the regulations in effect.
- It is particularly forbidden to:
  - Knowingly sell, directly or indirectly, a security of the Bank or of any of the Bank's affiliates if the vendor does not own or has not fully paid for the security to be sold. This prohibition applies specifically to short sales.
  - Knowingly, directly or indirectly, buy or sell a call or put in respect of a security of the Bank or of any of the Bank's affiliates.

## F) RESPECT THE ORGANIZATION

Loyalty to the Bank governs our behaviour and we see to it that Bank assets and property in our custody or under our control are maintained.

### - **Respect for the organization**

#### *Duty of restraint*

- We will refrain at all times and in any way from declaring any fact or making any statement that may discredit the quality of the Bank's products or services, or tarnish its image or reputation with clients and the general public. This obligation continues to apply after termination of employment.
- We will avoid participating, directly or indirectly, in activities that may compromise the Bank's interest, image or reputation.

#### *Corporate standards*

- We will use the Bank's name, trademark and any other form of its intellectual property exclusively for business purposes in accordance with applicable standards in this regard.

#### *Reporting*

- If we are aware of any wrongful acts or fraudulent offences or know of any circumstances, events, deeds or actions that could be detrimental to the Bank's interests or its reputation for integrity, or if we are aware of any other breach of this Code, we are obliged to report it in the manner prescribed in the Code.

#### *Cooperating with investigations*

- If we are involved in an internal or legal investigation regarding the Bank's business, we undertake to cooperate and not to discuss the matter with third parties. No reprisals, including threats or attempts to impose such reprisals, will be taken against any individuals simply because they are involved in the investigation.

### - **Protecting computerized data and using electronic networks**

#### *Computerized data*

- Computerized data are important Bank assets that ensure that the Bank is positioned competitively in the market.

#### *Electronic networks*

- All information circulating on the Bank's electronic networks belongs to the Bank, which may process and dispose of such information as it sees fit. In addition, an employee's use of electronic networks may be monitored at any time without notice.

#### *Information security*

- When using or accessing computerized data, we will be familiar with and apply the rules regarding information security set out in the Bank's policies and guidelines. Without limiting the generality of the foregoing, we must be sure to:
  - never leave passwords visible on our screen or desk;
  - always lock our workstation when we leave our desks, even for a short time;

- never change or deactivate the computer's security settings;
- never keep confidential information (especially personal information) on a laptop unless it is strictly required by the nature of our work and the required authorizations have been obtained;
- always have our laptop with us when travelling, even for a short time;
- behave responsibly and be discreet when using a laptop in a public area;
- comply with copyright, including policies on the copyright of websites consulted and compliance with the terms of user licenses for the software and programs installed on the Bank's workstations.

*Using electronic networks*

- When using the Bank's electronic networks, we will be familiar with and apply the Bank's policies and guidelines on the use of electronic networks: without limiting the generality of the foregoing, we must ensure that:
  - during working hours, the electronic networks are used to carry out our duties;
  - information sent via electronic networks complies with the Bank's security directives;
  - communications sent via electronic networks are not defamatory, offensive, harassing or threatening, do not contain any illicit message and are courteous, polite and respectful;
  - the Bank's computer systems are not used for illicit purposes, such as visiting sites that contain obscene or offensive material, and that copyright regulations are not violated.

*Reporting*

- If we are aware that the Bank's information security measures have been violated or an attempt has been made to access the Bank's computer systems without authorization, we will inform our superior immediately.

- **Relations with the media**

- Communications with the media may only be made by the spokesperson for the Bank, or by another individual authorized to represent the Bank in dealings with the media regarding major events and emergencies.

- **Bank funds**

*Accountability*

- We are accountable for funds over which we have control. In particular, we are responsible for the custody of the Bank's assets including cash, cheques, cash advances, credit cards and calling cards.

#### *Appropriation*

- It is forbidden to appropriate or attempt to appropriate funds belonging to the Bank. In such a case, the funds that were appropriated and any gain resulting from the use of such funds must be returned to the Bank, which will decide how to dispose of them.

#### *Gains*

- If a gain is made or benefit obtained on goods or services acquired using Bank funds such as business promotion expenses, employees must inform their superior, who will decide how to dispose of the gain.

#### *Expenses*

- The expenses we incur for and on behalf of the Bank must be reasonable and relevant.

### **External activities**

#### *Political activities*

- If we express our own personal opinion, we must make sure that the Bank is not implicated. The Bank must not be associated with any school of thought or political party line.
- The previous paragraph is not intended to restrict our right to be involved in, or personally contribute to, political activities. The Bank has provisions in place for leave without pay for public duty if we are actively involved in politics.
- No donations to political parties at any level of government may be made with or reimbursed from Bank funds.

#### *Director, partner or officer of a company*

- We may not accept an appointment as director, partner or officer of a company without obtaining prior authorization in accordance with the provisions of the applicable policy.
- When we have obtained the authorization, we must refrain from voting and taking part in the decision-making process as regards any issue involving the Bank.

### **Records and vouchers**

#### *Accuracy*

- All the Bank's records, ledger books, reports, invoices, payslips and other documents must present a complete and accurate statement of the transactions performed. It is therefore forbidden to falsify documents or omit any data affecting the accuracy of a report, draw up false or erroneous reports or produce false statements.

#### *Integrity*

- We must ensure the integrity of all information, reports, records and any other documents sent to regulatory authorities and internal or external auditors

*Errors*

- If we are aware of an error, misconduct, omission, inaccuracy or falsification in the preparation, evaluation, audit or content of the Bank's books, reports, records, financial statements or other documents, we must immediately report this irregularity or our concerns, in accordance with the Bank's policy for Reporting Irregularities.

## **VI ANNUAL ACKNOWLEDGEMENT AND UNDERTAKING TO RESPECT THE CODE**

Before starting work at the Bank, employees are to acknowledge in writing that they have received and read this Code (and any amendments to it) and, as a condition of their employment, agree to abide by the rules it contains and to discharge their obligations under the Code.

Thereafter, it is the employee's responsibility to be familiar with the contents of the Code and any amendments made to it, and to annually acknowledge his undertaking to comply with the Code as a condition of employment.

The electronic version of the Code is the most up to date, and must be complied with at all times.

## VII INQUIRIES AND REPORTING

The purpose of the Code is to serve as a guide to employees, interns, contract employees, consultants, agents, mandataries and suppliers regarding the appropriate conduct when carrying out their duties for the Bank. Several options are available if we need information or want to report a situation that appears to be irregular or in breach of this Code.

### Consulting

Employees must address any inquiries regarding the application or interpretation of this Code to their immediate superior, their superior's superior, the Human Resources Service Centre or one of the resource persons designated as they see fit depending on the circumstances. Requests for information will remain confidential whenever possible and appropriate.

### Reporting

Any behaviour that contravenes the provisions of this Code or any of the Bank's other policies, standards and permanent instructions, or any law applicable to the Bank must be reported immediately. Employees must report any misconduct to their superior, their superior's superior, the Human Resources Service Centre or one of the persons responsible for overseeing the application of this Code as they see fit depending on the circumstances. The employees' identity will remain confidential whenever possible and appropriate.

### Anonymous reporting

Employees who wish to remain anonymous when requesting information or reporting a situation may do so by contacting the Employee Ombudsman.

### Reporting accounting irregularities

Employees must immediately notify the Bank's Client Ombudsman of any concerns regarding accounting or auditing matters or any accounting irregularity, in accordance with the terms of the policy for Reporting Irregularities Related to Accounting, as well as any breach of the provisions of this Code with respect to accounting irregularities. The Bank will take the necessary measures to ensure the confidentiality of the information disclosed and the anonymity of the reporting individual.

### Protection against reprisals

An individual who makes an inquiry or, in good faith, denounces an actual or potential breach of this Code or other Bank policies, standards or permanent instructions or a law applicable to the Bank, will in no way be subjected to reprisals. However, any individual who engages in a forbidden activity is liable to disciplinary measures, even if reporting the violation himself. If disciplinary measures prove warranted, the Bank may, depending on the circumstances, take into consideration the individual's decision to report the violation. Similarly, any false, unreasonable, frivolous or vicious allegation constitutes an offence and will result in disciplinary measures.

## **VIII PENALTIES**

Employees in breach of this Code are liable to disciplinary measures up to and including dismissal in accordance with the Bank's policy on corrective measures. Interns, contract employees, consultants, agents, mandatories or suppliers who do not comply with the Code are likely to have their contract cancelled.

In addition, certain breaches of the Code may result in legal proceedings against the individual.

## **IX GENERAL NATURE OF CODE**

The Code does not replace all other provisions applicable under the Law. If rules should conflict, the stricter standard shall apply.

The rules of conduct presented in this Code are not exhaustive; they serve to complement the by-laws, policies, permanent instructions and other rules governing employee conduct and with which all employees must comply at all times. Additional rules or directives may apply in certain sectors or specific situations. The rules do not restrict the Bank's management rights with regard to its employees.

The names of the policies and rules contained in this Code may be modified from time to time in the normal course of business. Employees must at all times comply with the provisions of the most recent version of these policies and rules.

## **X RESOURCES DEDICATED TO THE APPLICATION OF THE CODE**

Corporate Compliance and Employee Relations are jointly responsible for supporting managers and employees with a view to ensuring the Code is applied in a diligent and uniform manner and its rules are obeyed. These units are also responsible for implementing the measures needed to ensure that employees and the other people the Code applies to are familiar with the Code, informed of its content, and interpret it in a uniform manner, and that consistent disciplinary measures are taken if it is breached.

The two units intervene when it is necessary to change the content of the Code. They also recommend amendments to the Code to the Conduct Review and Corporate Governance Committee (CRCGC) so that it continually reflects the rules needed to safeguard the Bank's reputation. The CRCGC then proposes the new content to the Board of Directors, which is responsible for the final decision on whether or not to accept the proposed changes.