

**TORONTO SENIORS HOUSING CORPORATION (TSHC)
Board of Directors Code of Ethics and Conduct Policy
(Approved)**

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I. INTRODUCTION

The Board of Directors (the “**Board**”, or individually, the “**Director(s)**”) of the Toronto Seniors Housing Corporation (the “**Corporation**” or “**TSHC**”) has adopted this Code of Ethics and Conduct (the “**Code**”) for itself, and for the boards of its subsidiaries. Tenants, city residents and the City of Toronto, as both service manager under the *Housing Services Act, 2011*, and as shareholder of the Corporation, are entitled to expect the highest standards of ethics and conduct from the Directors appointed to the Board. When these standards are not met, this policy sets out how deficiencies in conduct should be managed.

Scope

The Code applies to all members of the Board of Directors of TSHC and of all board members of subsidiary corporations of TSHC.

Guiding Principles

The following principles shall be adhered to in the governance of the Corporation:

- (a) Directors shall serve and be seen to serve the Corporation honestly and in good faith with a view to the best interests of the Corporation in a conscientious and diligent manner; and
- (b) Directors shall serve the interests of the Corporation by upholding both the letter and the spirit of all applicable federal and provincial legislation and regulations, the articles and by-laws of the Corporation, the Shareholder’s Direction and approved policies of the Board.
- (c) The Board is expected to model and promote an inclusive culture, while ensuring the best interests of the Corporation are always served.

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While the above principles govern Directors in the performance of their responsibilities, the Board shall also take into account the viewpoints of tenants, city residents, the service manager and shareholder in all of its deliberations and in the decisions it makes.

Requirements of Individual Directors

Directors must be familiar with and adhere to the requirements set out in the Code of Ethics and Conduct.

Directors have a responsibility to be familiar with any legislation or regulations that apply to their Directorship and to be able to recognize potential requirements.

Directors must exercise good judgment in applying the standards of conduct to any particular situation in the spirit intended.

Administration of the Code

The Corporate Governance and Human Resources Committee (the “**CGHRC**”) is responsible for the proper administration of this Code. The **CGHRC** Chair shall be responsible for applying the Code consistently and fairly to all Directors.

II. LEGAL STANDARDS OF CONDUCT

Statutory and Other Provisions Regulating Directors’ Conduct

While many statutes impose specific requirements on directors of corporations, the principal statutes governing the activities of TSHC Directors are as follows:

- (d) The Ontario *Business Corporations Act*;
- (e) The *Housing Services Act, 2011*; and

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- (f) *The Municipal Freedom of Information and Protection of Privacy Act.*

The corporate documents that generally regulate the activities of the Directors of TSHC are:

- (a) The Articles of Incorporation.
- (b) By-law No. 1 as may be amended or replaced from time to time;
- (c) This Code; and
- (d) The general policies of the Corporation, with all necessary changes read thereto to be applicable to the Board of Directors, as may be amended from time to time.

Duty of Loyalty

As part of their legal duty of loyalty, Directors must:

- Act honestly and in good faith with a view to the best interests of the Corporation;
- Maintain Board and corporate confidences; and,
- Act independently when carrying out their duties as Directors of TSHC.

Acting Honestly and in Good Faith

- Directors must be honest in dealing with other Directors and with the Corporation and must disclose all relevant information to the Board.

Maintaining Confidentiality

- Directors shall maintain, at all times, the confidentiality of all confidential information (unless it is required by law to disclose) and records of the Corporation and must not make use of or reveal such information or records, except in the course of

performance of their duties or unless the documents or information become a matter of general public knowledge.

- Directors shall not use confidential information obtained through their association with the Corporation to further their private interests or the private interests of their friends or relatives (please refer to TSHC's Conflict of Interest Policy for additional requirements and guidance on managing personal conflicts of interest while serving as a TSHC Board member).
- Directors shall comply with any and all Corporation policies and procedures that guide the storage, use and transmission of any information of the Corporation, including the use of computer data bases or email systems.
- Directors shall treat all Closed Session Board discussions in the strictest of confidence so that the opportunity for the Board to deliberate matters serves as a "safe haven" for the benefit of their peers and the Corporation's executive. As such, Directors shall not repeat any Closed Session discussions concerning the Corporation's business and practices, or any discussions of a personal nature of their peers and the Corporation's executive, in a public setting unless required by law.

Acting Independently

- Directors must promote the best interests of the Corporation through the exercise of their independent judgment, even if it requires them to disagree with the views of Management, other Directors, the Service Manager or the Shareholder.

Duty of Care

The legal duty of care requires Directors to exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.

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III. OTHER STANDARDS OF CONDUCT

Attendance and Participation

Membership on the Board of Directors requires that all Directors:

- Shall demonstrate their commitment to the Corporation by giving high priority to the Corporation's business and their attendance at and participation in Board and Committee meetings.

- Shall be prepared to participate actively and as knowledgeably as possible at all Board and Committee meetings by familiarizing themselves in advance with the meeting's agenda and background information with a view to making a productive contribution to the Board's consideration of the issues and business addressed at the meetings.

- Shall focus on the discussions at hand and be prepared to deal with issues that may not be easily solvable.

- Shall be members of at least one Committee of the Board.

- Shall make best efforts to attend:
 - Strategic planning and orientation workshops;
 - Board development workshops;
 - Seminars and other educational events that enhance their skills as Board members; and
 - Other special events.

- Must notify the CGHRC Chair and Board Chair to request a leave of absence from the Board. Directors must be on an approved leave of absence to:
 - Participate as a candidate in a municipal election,
 - Apply for employment within TSHC

Respect for other Directors, management and others

Membership on the Board of Directors requires that all Directors:

- Shall express their opinions freely and always with the goals of flexibility and compromise whenever achievable.
- Shall work with, respect and remain open to the opinions and viewpoints of their peers and leave personal prejudices out of all Board and Committee discussions.
- Shall observe agreed-upon meeting protocol, displaying courteous and respectful conduct in all Board and Committee meetings toward each other and toward Staff.
- Shall uphold and model TSHC's commitment to providing a safe and healthy work environment free from violence, threats of violence, discrimination, harassment, intimidation and any other misconduct for every TSHC employee, contractor, temporary employee, and other Directors.

Support of TSHC Executive

Membership on the Board of Directors requires that all Directors:

- Shall actively support the Corporation's executives by providing overall direction, resources and time frames to achieve the identified vision and ends of the Corporation.
- Shall publicly support actions taken by the Corporation's executives to implement programs and achieve the objectives contained in the Corporation's plans and budgets as approved by the Board.
- Shall recognize the difference between the role of the Board to set policies and strategic objectives, and the role of the

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Staff to implement same.

- Shall not direct Staff in any way. The Board can request that additional work be undertaken with the concurrence of the Corporation's President and Chief Executive Officer.

Media/Public Comment

Membership on the Board of Directors requires that all Directors:

- Shall not, in the context of the Corporation's business and practices, make comments to the media or make themselves available for interviews by the media on behalf of the Corporation without prior approval and briefing by the Corporation's executive. The President and CEO, along with the Board Chair when deemed appropriate, typically performs the role of spokesperson on behalf of the Corporation.
- Directors shall ensure that any comments attributed to them by or in the media or on social media is outside of the context of the Corporation's business and practices. Any comments made to the media, or on social media in any context is to be solely in their personal capacity and not in their capacity as a Director of the Corporation.

TSHC Property

- Directors shall not misappropriate the Corporation's assets for personal use.
- Directors are entrusted with the care, management and cost-effective use of the Corporation's property and resources, including the use of the Corporation's name, and should not make use of these resources for their own personal benefit or purposes.
- Directors shall ensure that all property assigned to them by the Corporation is maintained in good condition and shall be accountable for such property.

Political Participation

- Directors are encouraged to participate fully as private citizens in the democratic process at any level, including campaigning in elections and running for or holding public office, however, Directors engaging in such political activity shall take care to separate these activities from their association with the Corporation.
- Directors shall ensure that any views they express in the context of their political participation is clearly and unequivocally stated to be that of the Director's personal views and not the views of the Corporation.

IV. MANAGING BREACHES OF THIS CODE

Management by Board Chair

All alleged breaches of this Code by a Director, regardless of where it is initiated, must be directed to the Board Chair provided that, where the Board Chair is the subject of the breach or alleged breach, it shall be managed by the Board Vice-Chair.

Informal Resolution

The Board Chair should, wherever possible and as appropriate, first seek to resolve all allegations of breaches by using an informal process.

A one-on-one meeting between the Board Chair and Director in question should be held. This one-on-one approach minimizes the need for the dissemination of sensitive personal and confidential information, minimizes impact on the Director's reputation and will, in most cases, resolve the issue without recourse to a formal process.

Where the Board Chair has not been successful in resolving the

matter through an informal resolution process, the Board Chair may strike an ad hoc committee (the "Conduct Committee") that, once struck, is authorized by this Code to consider next steps. The members of the Conduct Committee shall be the Board Chair, the CGHRC Chair and Board Vice-Chair. Should the allegation or issue involve any of the foregoing persons, the other two shall designate an alternative Director to serve as a member of the Conduct Committee.

Investigation of Alleged Breach

Where deemed appropriate by the Conduct Committee, a decision may be made to conduct an internal investigation. An investigation must be conducted in a manner that ensures due process and confidentiality, and that respects the privacy of all persons involved to the greatest extent possible. Investigations can be a costly, potentially time-consuming and distracting process and a decision to launch an investigation should not be made lightly.

The Conduct Committee shall:

- Conduct an initial review to determine whether the allegations have merit;
- Determine if the involvement of legal counsel or other experts is required;
- Determine if an individual is required to be relocated or recused, and issue a letter to the affected party;
- Determine the scope of the investigation;
- Determine who will conduct the investigation and how the investigation will proceed;
- Ensure complainant(s) and Director (s) in question are provided with due process, respect, confidentiality and privacy during any investigation, as appropriate;
- Implement the appropriate action(s) to resolve the situation; and
- Monitor the situation to ensure the resolution is maintained.

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Committee-Level Discipline

The Conduct Committee shall be authorized to apply the following corrective measures and/or discipline without full Board involvement, as deemed appropriate by the Conduct Committee:

- A dismissal of the complaint;
- A warning to the offending Director and required corrective action;
- Offer the offending Director to resign without further action by the Conduct Committee.

Board-Level Discipline

If the Conduct Committee believes the matter is of such importance as to warrant the full Board involvement, or the Director in question refuses to accept the findings or direction of the Conduct Committee with respect to a particular matter, then the Conduct Committee shall refer the matter to the full Board for consideration. Disciplinary measures that can only be imposed by the Board are as follows:

- Contacting the City Manager of the Shareholder for the purposes of requesting the removing the Director in question as a Director of the Corporation; or
- Such other recommendation(s) as the Conduct Committee shall consider advisable having regard to the facts and the gravity of the violation(s) of the Code, as applicable.

Confidentiality, Protection of Privacy, And Due Process

All parties involved in addressing an alleged breach of this Code, including complainants, respondents, support persons, witnesses, management (including Directors and officers), union/association representatives, and investigators are expected to treat the matter

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as confidential.

During an investigation, identifying information about any individuals should not be disclosed unless disclosure is necessary for the purpose of investigation, taking corrective action, or as is otherwise required by law. Parties to a complaint must not advise anyone about the investigation, any involvement in the investigation and/or the contents of an investigation interview and/or report.

Every Director that is the subject of a complaint under this Code is entitled to due process as set out in the Code.

V. ENFORCING AND MAINTAINING THE CODE

Initial Briefing and Disclosure

The Corporate Secretary shall brief and counsel new Directors on the Code and its interpretation.

Before a Director begins his or her duties, the Corporate Secretary shall ask them to complete:

1. A formal acknowledgement that they have read and understand the Code and will comply with it in a form acceptable to the CGHRC Committee;

All completed forms shall be shared with the Board Chair for the Board Chair's review and, as appropriate, action. Forms shall also be stored and maintained in accordance with TSHC's document retention policy.

Annual Update to Disclosure Form

Once per calendar year, the Corporate Secretary will send a request to Directors to certify that they have read, understood and complied

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with the Code during the specified reporting period.

Post-Directorship/Departure Briefing

The Corporate Secretary or Corporate Lawyer in conjunction with the Board Chair shall brief and counsel departing Directors on their post- Directorship obligations including, but not limited to, the obligation to adhere to the Code, to the extent applicable, after leaving office.

Questions of Interpretation

During their tenure, Directors shall raise any questions relating to how the Code should be interpreted or applied with the CGHRC Chair. A Director who is unsure of whether a situation violates this Code should discuss the situation with the CGHRC Chair.

Decisions

Any decision on behalf of TSHC with respect to the application or interpretation of the Code will be made by the **CGHRC** Chair in consultation with the Chair of the Board.

Where the matter relates to the Board Chair, the decision will be made by the CGHRC Chair in consultation with the Vice-Chair of the Board.

Where the matter relates to the **CGHRC** Chair, the decision will be made by the Board Chair and the Vice-Chair of the Board.

VI. REVIEWS AND AMENDMENTS

The CGHRC Committee shall review the Code at least once every three (3) years and recommend to the Board any appropriate changes.

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Revision	Date	Description of changes	Approval
First approval:	March 31, 2022		Board of Directors
Revision:			
Effective Date:			
Amended Version:			

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