

Code of Professional Conduct

1.0 Purpose

- 1.1 The customers of the Alberta Teachers' Retirement Fund Board (ATRF) have the right to service conducted with efficiency, impartiality and integrity. The obligation to provide this service demands that there not be, nor seem to be, any conflict between the private interests of Board members, Board Committee members and employees of ATRF, and their responsibility to ATRF's customers.
- 1.2 Board members, Board Committee members and employees of ATRF are expected to maintain high standards of honesty, integrity, impartiality and ethical conduct. They must be constantly aware of the need to avoid situations which might result in actual or perceived conflicts of interest, and to conduct themselves in their official and personal relations accordingly.

2.0 Scope

- 2.1 This Code of Professional Conduct (Code) applies to members of the Board, Board Committee members and employees of ATRF. The responsibility for the administration of this Code for Board members, Board Committee members and the Chief Executive Officer rests with the Board. The responsibility for the administration of this Code for the employees of ATRF rests with the Chief Executive Officer.
- 2.2 Members of the Board, Board Committee members and employees of ATRF shall not:
 - a. engage in, or give the appearance of being engaged in any illegal conduct;
 - b. commit or condone any illegal act or instruct or encourage another to do so; or
 - c. make inappropriate use of ATRF information.
 - d. No code to govern conduct and conflicts of interest can anticipate all situations. Members of the Board, Board Committee members and employees of ATRF are expected to consider the following questions when considering any course of action:
 - i Is it fair?
 - ii Is it right?

- iii Is it legal?
 - iv Is it in conflict with the best interests of the members of the plans and the plan sponsors?
 - e. Is there a right, entitlement or benefit to a commercial or financial advantage that you foresee may influence the exercise of your duties and responsibilities?
 - f. Is there a right or entitlement or benefit to a commercial or financial advantage that others might conclude may influence the exercise of your duties and responsibilities?
 - g. Will the action meet or exceed the standard of behaviour that may reasonably be expected of members of the Board, Board Committee members and employees of ATRF by the Alberta public?
- 2.3** When in doubt about any aspect of the applicability of this Code, members of the Board, Board Committee members and employees of ATRF are encouraged to make appropriate inquiries with their immediate supervisor, the Chief Executive Officer, the Board Chair or the Chair of the appropriate Board Committee.

3.0 Errors, Wrongdoing and Breaches of the Code

- 3.1** Employees of ATRF who believe that they have:
- a. made a serious error;
 - b. breached this Code;
 - c. discovered serious errors or breaches of this Code by another employee; or
 - d. discovered wrongdoing, including breaches of applicable statutory laws, rules or regulations, or fraudulent activities such as falsification of records shall report immediately either verbally or in writing to their Chief/Director, the Chief Executive Officer or, if the activity involves the Chief Executive Officer, to the Board Chair.
- 3.2** Any such report will be taken as good-faith compliance with this Code and ATRF will protect from retaliation any employee making such report. ATRF expects each employee to cooperate truthfully and completely during an inquiry into any such report.

4.0 Conflict of Interest

- 4.1** A conflict of interest is any situation in which Board members, Board Committee members or employees of ATRF attempt to promote a private or personal interest, either for themselves, their dependents, other persons directly related to or associated with them, or their organizations, which results, or appears to result in:
- a.** an improper personal material gain or an advantage by virtue of their position, or
 - b.** an interference with the objective exercise of their duties.
- 4.2** Board members, Board Committee members and employees of ATRF shall avoid actual or perceived conflicts of interest between themselves and ATRF, whether or not those conflicts are specifically prohibited by this Code.
- 4.3** A Board member, Board Committee member or employee of ATRF shall not, directly or indirectly:
- a.** engage in any transaction or arrangement for her/his personal benefit or the benefit of another party which accrues from, or is based upon, her/his position or authority, or information that is confidential or not generally disclosed;
 - b.** act in a manner that might result in, or create the appearance to a reasonable informed person of:
 - i** the use of her/his position or authority for private or personal benefit, gain or profit,
 - ii** a person receiving preferential treatment,
 - iii** ATRF efficiency or economy being impeded,
 - iv** a loss of impartiality, or
 - v** a loss of public confidence in the integrity of ATRF;
 - c.** divulge or release confidential or restricted ATRF information to a person, or release such information in advance of authorization for its release;
 - d.** act in any manner that involves ATRF and in which she/he has a personal interest which is incompatible or inconsistent with her or his obligations to ATRF;

- e. influence negotiations or transactions between ATRF and its suppliers, contractors, clients or other parties for personal gain.
- 4.4 Board members, Board Committee members and employees of ATRF shall not have a pecuniary or other interest that could conflict in any manner with the discharge of their duties. Involvement outside of ATRF or other interests that reduce or demonstrate the potential to reduce the ability to give ATRF impartial or disinterested service must be clearly avoided.
- 4.5 No conflict should exist between the private interests of Board members, Board Committee members and employees of ATRF, and their duties and responsibilities to ATRF. Board members, Board Committee members and employees of ATRF shall arrange their private affairs in a manner that will prevent actual or apparent conflicts of interest from arising.
- 4.6 In order that their honesty and impartiality may be beyond doubt, Board members, Board Committee members and employees of ATRF should not place themselves in a position where they are under obligation to any person who might benefit from special considerations or favours on their part or seek in any way to gain special treatment from them.
- 4.7 Board members, Board Committee members or employees of ATRF participating in any investment decision of ATRF, or of any of its associated companies, with respect to the securities of a company in which they have an interest, direct or indirect, shall immediately disclose such interest to the Board (for Board Members, Board Committee members and the Chief Executive Officer) or the Chief Executive Officer (for any other employee) either in writing or by requesting that the disclosure of interest be recorded in the minutes of the meeting at which the disclosure is made, and shall thereafter not take part in any such investment decision.

5.0 Additional Conflict of Interest Provisions for Designated Positions

- 5.1 The following employee positions of ATRF are designated positions for the purposes of this Code:
- a. All employee positions of the Investment Department
 - b. Chief Executive Officer
 - c. Director, Financial Services

- 5.2** ATRF employees in designated positions shall not, directly or indirectly:
- a.** purchase or trade in a security or property with knowledge of a material fact or material change in respect of that security or property gained directly or indirectly in the course of the employee's duties that the employee knows, or ought reasonably to know, has not been generally disclosed;
 - b.** while maintaining a personal investment account at an investment dealer that includes ATRF as a client, receive any treatment more favourable than is available to other members of the public, including, but not limited to lower commissions and new security issue allotment;
 - c.** supersede the responsibility for prudent and timely investments on behalf of ATRF by prioritizing personal transactions;
 - d.** accept more favourable margining positions at an investment dealer than are available to other members of the public of equivalent creditworthiness, regardless of experience or sophistication with investment dealing;
 - e.** seek or accept more favourable interest rates or terms at a financial institution than those offered to members of the public of equivalent creditworthiness, whether borrowing or lending to the financial institution;
 - f.** receive any new security issue allotment from any investment dealer that has business with, or is in the process of obtaining business from, ATRF.
- 5.3** Any ATRF employee in a designated position involved in making an investment recommendation, or provision of a guarantee, shall disclose the personal holdings in that security and the specific nature of personal involvement with the corporation. Such disclosure will be made to the Chief Investment Officer, except in the case of the Chief Investment Officer and Director, Financial Services the disclosure will be made to the Chief Executive Officer and, in the case of the Chief Executive Officer, to the Board Chair.
- 5.4** ATRF employees in designated positions are required to disclose all transactions respecting securities (including equities and financial futures contracts, but excluding Government of Canada and provincial bonds, Government of Canada Treasury Bills, Government of Canada or provincial savings bonds, term deposits, certificates, mutual funds and commodities) for their account, and those of their immediate family

(spouse (legal, common-law or same-gender), children, grandchildren, parents, sisters, brothers, and grandparents, including in-laws) in the case where the employees have influence/control over said transactions, in accordance with Appendix A, quarterly based on ATRF's fiscal year.

- 5.5 Employees who hold, or are candidates for, a designation of a professional organization shall also comply with the code of professional conduct adopted by that professional organization.
- 5.6 Prior to extending an offer letter of employment, a credit reference check may be performed with respect to prospective ATRF employees who will hold a designated position, with their prior knowledge. If an ATRF employee in a designated position is about to declare bankruptcy, the employee will disclose such intention in writing to the Chief Executive Officer (in the case of the Chief Executive Officer, to the Board Chair).

6.0 Outside Employment

- 6.1 Employees may take supplementary employment, including self-employment unless such employment:
 - a. causes an actual or apparent conflict of interest, or
 - b. is performed in such a way as to appear to be officially related to the activities of ATRF, or to represent ATRF opinion or policy, or
 - c. interferes through telephone calls, or otherwise, with regular duties, or
 - d. involves the use of ATRF premises, equipment, systems, information, or supplies.
- 6.2 Where it is evident that a conflict of interest might arise in taking supplementary employment, it is the duty of the employee to notify their Chief/Director in writing as to the nature of the employment.
- 6.3 Employees shall not accept monetary or other payment in addition to normal salary and expenses for duties they perform in the course of their ATRF employment.

7.0 Disclosure Requirements

- 7.1 Board members, Board Committee members and employees of ATRF are responsible for disclosure of any situation or matter where they



have a conflict of interest or a potential for a conflict of interest. Where Board members, Board Committee members or employees of ATRF are unsure whether a conflict of interest exists, it is their responsibility to seek clarification from ATRF. Clarification for Board members, Board Committee members and the Chief Executive Officer shall be sought from the Board, and for other employees, from the Chief Executive Officer.

- 7.2** A Board member, Board Committee member or employee of ATRF who
- a.** is a party to a contract or proposed contract with ATRF, or
 - b.** has an interest in any person or organization who is a party to a contract or proposed contract with ATRF

shall disclose in writing to ATRF, or request to have entered in the minutes of a meeting of the Board or Board Committee, the nature and extent of the interest.

- 7.3** In the case of a Board member or Board Committee member, the Board shall decide by majority vote of other members at the meeting whether a material interest in a contract exists. A material interest includes any matter or situation where the persons or any of their immediate family have a direct or pecuniary interest beyond the interest of an ordinary citizen. Where it has been decided that a material interest in a contract exists, the affected Board member or Board Committee member shall not be present during the related discussion or vote on the matter involved.
- 7.4** In the case of an ATRF employee other than the Chief Executive Officer, the Chief Executive Officer shall decide whether a material interest in a contract exists.
- 7.5** In the case of the Chief Executive Officer, the Board shall decide by majority vote whether a material interest in a contract exists.
- 7.6** Upon commencement of employment with ATRF, and thereafter at the beginning of each subsequent fiscal year of ATRF, each employee shall complete and file Appendix B stating that the employee understands this Code, agrees to abide by the Code and is not aware of any Code violations by any employee, Board member or Board Committee member.
- 7.7** Annually, each member of the Board or a Board Committee shall complete and file Appendix C stating that the Board/Committee member understands this Code and agrees to abide by the Code.

8.0 Acceptance of Gifts

- 8.1** Occasional business gifts and entertainment in connection with business discussions or the development of business relationships are generally deemed appropriate in the conduct of ATRF business. However, these gifts should be infrequent and their value should be modest. Gifts or entertainment in any form that would likely result in a feeling or expectation of personal obligation should not be extended or accepted.
- 8.2** A Board member or employee of ATRF shall not accept a gift, favour or service from any individual, organization or corporation, other than:
- a.** the normal exchange of gifts between friends;
 - b.** the normal exchange of hospitality between persons doing business together;
 - c.** tokens exchanged as part of protocol; or
 - d.** the normal presentation of gifts to persons participating in public functions.
- 8.3** ATRF employees having official dealings with contractors or other suppliers of goods or services must avoid transacting any kind of private business with them by any means other than normal commercial channels. No favour or preferences regarding price or otherwise, which is not generally available to the public, should be sought or accepted.

9.0 Political Activity

- 9.1** The Chief Executive Officer and Chief Investment Officer may not seek nomination as a candidate in a federal or provincial election nor hold office in a political party or constituency association.
- 9.2** Employees who wish to run as candidates in a provincial or federal election must request a leave of absence without pay commencing no later than on the day after the writ for the election is issued or on the day their candidacy is publicly announced, whichever is later.
- 9.3** An employee who is elected to federal or provincial office shall resign effective the last day before the commencement of the leave of absence without pay.

- 9.4 An employee who is a candidate for municipal or school jurisdiction office shall, if elected, be subject to the provisions of this Code regarding outside employment.

10.0 Protection of Confidential or Proprietary Information

- 10.1 Board members, Board Committee members and employees of ATRF shall not discuss confidential information or ATRF business with outside acquaintances, friends or relatives, and with outside business associates will only discuss these matters as required in the conduct of business. Confidential information includes Board member, Board Committee member, employee, employer, or plan member personal information, and sensitive ATRF information, such as Board deliberations, proprietary, technical, business and /or financial information. This obligation continues indefinitely, even when no longer a Board or Board Committee member or an employee of ATRF.
- 10.2 Board members, Board Committee members and employees of ATRF who speak or write publicly are responsible for ensuring that they do not release any confidential ATRF information.
- 10.3 The responsibility for maintaining the confidentiality of information or documentation includes the responsibility for ensuring that such information or documents are not directly or indirectly made available to unauthorized persons. Employees must also take reasonable care to protect confidential information against loss, theft, alteration or misuse.

11.0 Penalties

- 11.1 The Board shall consider at a meeting of the Board any matter where a Board member or Board Committee member has not complied with this Code, and decide the action to be taken, if any. The action to be taken includes the reporting of a non-compliance with this code by a Board member to the Minister of Education.
- 11.2 The Board shall consider at a meeting of the Board any matter where the Chief Executive Officer has not complied with this Code, and decide the action to be taken, if any. Such action may include the dismissal of the Chief Executive Officer or other disciplinary action.
- 11.3 An employee of ATRF who does not comply with any provision of this Code may be subject to dismissal or other disciplinary action.



Appendix A - Disclosure of Securities Transactions

Name _____

Period Ending _____

I hereby certify that the information given below is correct to the best of my knowledge, and I acknowledge that any incorrect information or omission may be cause for dismissal or other disciplinary action.

1. The following is a report of all securities transactions required to be disclosed under section 5.4 of the Code of Professional Conduct made by me, or my immediate family in the case where I influence/control their transactions, during the three months ending.

Date	Purchase or Sale	Dealer	Quantity	Security	Share	Price per Commission per share
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Date _____ Signature _____

– OR –

2. I hereby report that neither I, nor my immediate family in the case where I influence/control their transactions, conducted any securities transactions required to be disclosed under section 5.4 of the Code of Professional Conduct during the three months ending.

Date _____ Signature _____



Appendix B - Annual Employee Disclosure

I hereby certify that:

- a. I have read and understand the Code of Professional Conduct;
- b. I agree to abide by the Code of Professional Conduct; and
- c. I am not aware of any violations of the Code of Professional Conduct by any employee of ATRF, Board member or Board Committee member.

Date _____ Signature _____

Name _____



Appendix C - Annual Board/Committee Member Disclosure

I hereby certify that:

- a. I have read and understand the Code of Professional Conduct; and
- b. I agree to abide by the Code of Professional Conduct.

Date _____ Signature _____

Name _____