

# Code of Business Conduct

## Purpose

Tarion is committed to fair dealing and integrity in the conduct of its business. This commitment is based on a fundamental belief that business should be conducted honestly, fairly and in compliance with applicable laws. Tarion expects all employees to share its commitment to high standards.

It is important that employees meet the highest standards of ethical behaviour and business conduct in the course of their employment at Tarion, and to contribute to a respectful and inclusive workplace. Employees are expected to carefully consider public perception, and exercise responsible judgment when applying the Code to their behaviours. In performing their duties, employees shall act honestly and in good faith with a view to the best interests of the Corporation. Corporate assets, including equipment, systems access, access to confidential information, and expense payments, are provided to employees based on business needs and are intended to assist employees in performing their job responsibilities. As such, they should only be used for their intended business purpose.

Tarion's Code of Business Conduct (the "Code"), described below, applies to all employees. The Code outlines Tarion's principles and values and what Tarion considers appropriate business practices and behavior. The Code exists to ensure that Tarion employees treat each other and the public with respect and fairness and to promote high levels of individual and corporate performance and compliance.

Compliance with the Code by Tarion employees is mandatory and is one of the conditions of employment with Tarion.

Education on the Code is available to all employees of Tarion. If a Tarion employee is in doubt about the application of the Code, he or she should discuss the matter with the head of his or her Department or a representative of Human Resources.

**Note: This policy document excludes policies 2.4, 2.5, and 2.6, which are internal employee policies. All Tarion employees receive policy training and are required to review these policies at least annually.**

## Scope of the Code

This Code is comprised of the following policies:

- 2.1 Code of Business Conduct – General
- 2.2 Confidentiality Policy
- 2.3 Conflict of Interest Policy
- 2.4 Policy on Dealing with the Public – Complaints from the Public
- 2.5 Reports of Wrongdoing
- 2.6 Workplace Harassment, Discrimination and Violence
- 2.7 Enforcement and Compliance Personnel Code

## Reporting Contraventions

Tarion’s commitment to fair dealing and integrity in the conduct of its business is critical to earning and keeping the trust of its stakeholders. All Tarion employees are responsible for protecting and preserving Tarion’s integrity by ensuring adherence to the Code. When a Tarion employee suspects that the Code has been contravened by another Tarion employee, he or she must promptly report the contravention and may do so without fear of reprisal. Unless otherwise specified in the Code, Tarion employees should report a suspected contravention according to the process set out in Policy 2.5 Reports of Wrongdoing.

## Confidentiality Policy

### Purpose

The purpose of this policy is to set out Tarion’s confidentiality policy which is effective upon acceptance of employment with Tarion and which continues in effect both during and after employment with Tarion.

### Policy - Non-Disclosure of Confidential Information

The relationship between Tarion and a Tarion employee is one of mutual trust and reliance. Tarion employees may have access to information and knowledge, including **“Confidential Information”**, (as defined below), relating to any aspect of the business of Tarion. The disclosure of any of this information may be highly detrimental to the best interests of Tarion.

Accordingly, Tarion employees agree not to disclose nor allow disclosure of any Confidential Information to any person at any time, during or after his or her employment with Tarion, or during the period in which the Tarion employee provides service to Tarion, except to:

- Tarion employees
- Permitted Representatives (i.e., agents, advisors, consultants and other representatives who have agreed in writing to be bound by the terms of this policy)
- As authorized expressly in writing by the President or Chairman of the Board, and then only for the purpose of conducting the business of Tarion

All Tarion employees agree in all other respects to conduct themselves, and require their Permitted Representatives who have reviewed Confidential Information or who know of its existence, to conduct themselves in such a way as to keep the Confidential Information confidential.

In the event that a Tarion employee ceases for any reason to be employed by Tarion, the Tarion employee must forthwith upon the ending of his or her employment or service, return to Tarion every copy of any Confidential Information in the employee's possession.

"Confidential Information" includes:

- Any information regarding builders, homeowners and claimants that is not otherwise publicly available
- Any information, process or idea that is not generally known outside Tarion
- All proprietary and financial information relating to Tarion and its employees, including without limitation all contracts and policies
- Such information as a senior employee of Tarion may from time to time designate to a Tarion employee as being included in the expression "Confidential Information"
- Any secret or trade secret or know-how of Tarion or any information relating to Tarion or to any person, firm or other entity with which Tarion does business which is not generally known to persons outside Tarion, including the identity of builders, homeowners and claimants
- All computer programs including algorithms, specifications, flow charts, listings, source codes and object codes either owned by Tarion or to which Tarion has access and wishes to keep confidential
- All information relating to computer programs now existing or currently under development

This list is only illustrative and is not exhaustive. Other Confidential Information may currently exist or arise in the future. If a Tarion employee has any doubt whether information is Confidential Information, he or she should ask his or her department head.

## Confidential Document Disposal Guidelines:

Confidential Information may be contained in several types of Tarion documents that may need to be discarded by a Tarion employee from time to time in the ordinary course of business. To protect the confidentiality of the information in such documents, documents must be disposed of properly.

An employee must destroy any document containing Confidential Information before discarding it. Documents such as builder files, homeowner files, financial data, personnel files and any correspondence that contains Confidential Information must be shredded or otherwise destroyed before disposal. If an employee has doubts about the confidentiality of a document that needs to be discarded, the prudent procedure is to destroy it.

## Conflict of Interest Policy

### Purpose

The purpose of this policy is to set out Tarion's Conflict of Interest Policy, which is effective upon acceptance of employment with Tarion and which continues in effect both during and after employment with Tarion.

### Conflict of Interest

Tarion employees must avoid placing themselves, their business agents or associates, or their family members (any relation by blood, marriage or adoption) in a position where such interests conflict with his or her responsibilities as a Tarion employee ("**Conflict of Interest**"). A Conflict of Interest may be actual or perceived and may exist whether or not a monetary advantage has been or may have been conferred upon a Tarion employee. A Tarion employee's interest may include the activities of his or her family.

The following activities could be construed as a Conflict of Interest:

#### Acceptance of Favours:

- To demand, accept, agree to accept or offer, directly or indirectly, gifts, discounts, loans, services or benefits of any kind from an individual, corporation or other entity having dealings with Tarion

#### Alternative Employment/Business:

- To knowingly engage in any outside work or business undertaking in which the Tarion employee's interests conflict with the interests of Tarion

- This includes interference with the performance of his or her duties as a Tarion employee and where he or she has an advantage derived from his or her position as a Tarion employee

Personal Influence:

- To derive personal benefit through personal influence

Financial Interest:

- To have a beneficial interest in any goods, services or properties that might be acquired by Tarion; unless Tarion has expressly acknowledged and consented to such beneficial interest in writing after full written disclosure by the Tarion employee to Tarion of such interest

Profit from Access to Information:

- To use one's position, authority or knowledge acquired through the position as a Tarion employee, to obtain a beneficial interest in any goods, services or properties, if the results would be detrimental to the interest of Tarion or unfair to the public

Disclosure of Confidential Information:

- To disclose any Confidential Information (see Tarion's Confidentiality Policy 2.2), obtained by the Tarion employee in the course of his or her employment and/or association with Tarion

Fees for Public Appearance:

- To accept any fee for public appearances resulting directly from his or her position as a Tarion employee or his or her field of knowledge derived from the Tarion employee's position

Registration:

- To be registered with Tarion as a Builder or Vendor or be an officer, director or principal of any registrant while employed with Tarion, without first making full disclosure to Tarion in writing

Family Members:

- To have a family member working for an entity that has a business relationship with or is registered with Tarion as a Builder or Vendor, without making full disclosure to Tarion in writing

# Code of Conduct for Enforcement and Compliance Personnel

## Purpose

The purpose of this Code is to set out clear guidelines for the conduct of Compliance Activities and Enforcement Activities under the Ontario New Home Warranties Plan Act and its regulations (“ONHWPA”).

## Application

This Code applies to all Compliance Personnel and Enforcement Personnel.

## Definitions

“Compliance Activities” means activities carried out by Tarion where owners, purchasers, vendors and/or builders must comply with certain obligations under the ONHWPA and includes warranty assessments, chargeability determinations, inspections, claim resolution, and assessments of applications for enrolment and qualification for enrolment.

“Compliance Personnel” means Tarion employees, as well as any third-party contractors and legal counsel retained by Tarion, who carry out Compliance Activities.

“Enforcement Activities” means activities carried out by Tarion in connection with warranty eligibility investigations and decisions as well as investigating and prosecuting provincial offences under the ONHWPA.

“Enforcement Personnel” means Tarion employees, as well as any third-party contractors and legal counsel retained by Tarion, who carry out Enforcement Activities.

## Code

Tarion recognizes that Compliance Activities and Enforcement Activities (as applicable, “Activities”) can have a significant impact on the persons involved. Tarion’s Compliance Personnel and Enforcement Personnel have an obligation to maintain public trust, which is promoted by adherence to this Code.

Compliance Personnel and Enforcement Personnel are expected to abide by the following elements of professionalism:

*Fairness and Objectivity* – Carry out Activities fairly and objectively, without favour or ill will, and make decisions based on relevant law, policies and procedures.

*Honesty and Integrity* – Carry out Activities honestly and with integrity, in a manner that inspires confidence and public trust, and in compliance with any applicable rules of professional conduct.

*Respect* – Treat persons with courtesy and respect.

*Timeliness* – Conduct and conclude Activities in a timely manner and in accordance any prescribed timelines.

*Confidentiality* – Treat all information obtained in connection with Activities as confidential unless Tarion's Access to Information and Privacy Code requires or permits otherwise.

*Knowledge and Competence* – Take steps to continually renew and improve knowledge and competence required to carry out Activities.

*Independence* – Be objective and impartial and avoid any situation where a personal interest is, or may reasonably be perceived to be, in conflict with responsibilities under the ONHWPA or professional obligations.

Legal counsel retained by Tarion for the purpose of carrying out Activities shall:

1. Abide by this Code where applicable.
2. Serve the general public's interest and seek to uphold the rule of law and the integrity of the justice system.
3. Respect the honour and dignity of the role and profession, maintaining the highest professional standards of honesty and fairness.
4. Comply with the Rules of Professional Conduct established by the Law Society of Ontario.
5. Respect the accused person's right to a fair trial.
6. Promote a fair and reasonable disposition of the legal proceeding and, in connection with provincial offences, not strive for a conviction at all costs.
7. Never knowingly make a false or misleading statement of material fact or law to an adjudicator or offer evidence that is known to be incorrect. If this somehow occurs, take all necessary steps to correct it as soon as possible after the error is discovered.

8. Never discuss matters relating to a case with a presiding adjudicator without the participation of the other party or their counsel.

## Exercise of Statutory Powers

This Code is not intended to restrict Compliance Personnel or Enforcement Personnel in the exercise of statutory powers or interfere with the exercise of discretion in Compliance Activities or Enforcement Activities.

## Review

This code will be reviewed by Tarion annually.

Last reviewed and approved: December 6, 2021