

Appendix 2 – Code of Business Conduct

Every director, officer, and employee of Calgary Co-operative Association Limited (“Calgary Co-op”) occupies a position of trust. In varying measure, such individuals, as well as certain contractors and consultants, represent Calgary Co-op in their relations with others – whether with customers, suppliers, employees, members, competitors, governments, or the general public. Whatever the area of activity and whatever the degree of responsibility, such persons are expected to act in a manner that will protect Calgary Co-op’s interests and enhance its reputation for honesty, integrity and the faithful performance of undertakings and obligations.

Every director, officer and employee of Calgary Co-op has the responsibility to obey the law and act ethically. To that end, this Code of Business Conduct (“Code”) is a policy that is intended to sensitize such individuals to significant legal and ethical issues that arise frequently and to the mechanisms available to report illegal or unethical conduct. It is not, however, a comprehensive document that addresses every legal or ethical issue that a director, officer or employee may confront, nor is it a summary of all laws and policies that may apply. Ultimately, no code of business conduct can replace the thoughtful behaviour of an ethical person.

If you have any questions about this Code, or are unclear about a particular course of action, you should consult your manager or the Chief Financial Officer / Privacy Officer. If you are an employee concerned about conduct you believe violates the policies of Calgary Co-op or the law, you should consult with your manager or any member of management or executive you are comfortable with to discuss such issues. You can also call the “Integrity Hotline” to report your concerns in complete confidence.

Scope

The Board of Directors and the Executive Management of Calgary Co-op has established this Code. It applies to every director, officer, and employee of Calgary Co-op.

The provisions of this Code, as set forth in Sections I to XV, are mandatory, and full compliance is expected under all circumstances. This Code affirms the commitment of Calgary Co-op to uphold high ethical standards and to specify the basic norms of behavior for all directors, officers, and employees. Calgary Co-op expects everyone subject to this Code to act with honesty, integrity, and good faith, both internally and externally.

Failure to comply with this Code can have severe consequences. Conduct that violates this Code may violate contractual obligations and federal, provincial, or municipal law and can subject Calgary Co-op and its directors, officers and employees to liability, prosecution and legal sanctions. Offenders will be appropriately disciplined, which may include discharge from office or termination of employment, for violations of this Code.

I. Compliance with the Law

Calgary Co-op and all directors, officers and employees must comply with all lawful requirements, both domestically and foreign, applicable to the business of Calgary Co-op.

Wherever there is doubt about the application or interpretation of any legal requirement, the director, officer, or employee should seek the advice of the Chief Financial Officer and Privacy Officer or the Vice President, Human Resources, or refer the matter to the employee's manager. Ignorance of the law is not, in general, a defense should such laws be contravened. Accordingly, every director, officer and employee must diligently ensure that they are aware of, and that their conduct cannot be interpreted as being in contravention of, laws governing the affairs of Calgary Co-op in the jurisdictions where Calgary Co-op carries on business.

II. Gifts and Entertainment

Directors, officers, and employees must not furnish, directly or indirectly, on behalf of Calgary Co-op, expensive gifts or provide excessive entertainment or benefits to other persons.

Those individuals whose duties permit them to do so may furnish modest gifts, favours and entertainment to persons, other than public officials, if all the following tests are met:

- they are not in cash or other negotiable instruments;
- they cannot reasonably be interpreted as an improper payment or inducement and are of modest value;
- they are made as a matter of general and accepted business practice;
- they do not contravene any law and in addition are made in accordance with generally accepted local business practices; and
- if subsequently disclosed to the public, their provision would not in any way embarrass Calgary Co-op or the recipients.

For example, reasonable expenses for the entertainment of suppliers, prospective employees or business associates are permissible on the part of those individuals whose duties involve the provision of such entertainment, provided proper accounting is made in accordance with the applicable policies of Calgary Co-op and such form of business development does not, to the knowledge of the individual, contravene the policies of the recipient's employer.

III. Personal Gain

Directors, officers, and employees must not use their position with Calgary Co-op to obtain personal gain from those doing or seeking to do business with Calgary Co-op.

Except as hereinafter provided, directors, officers and employees should neither seek nor accept gifts, payments, services, fees, special privileges, vacations, accommodations or loans from any person (except, in the case of loans, from persons in the business of lending and then only on conventional terms) or from any organization or group that does or is seeking to do business with Calgary Co-op, or from a competitor of Calgary Co-op. However, directors, officers and employees may accept modest gifts, favours or entertainment provided that in so doing, standards consistent with the tests relating to the furnishing of gifts as set out in Section II are met and do not violate the applicable policies of Calgary Co-op.

IV. Dealings with Public Officials

All dealings between directors, officers and employees of Calgary Co-op and public officials are to be conducted in a manner that will not compromise the integrity or impugn the reputation of any public official or Calgary Co-op.

Even the appearance of impropriety in dealing with public officials is improper and unacceptable. Any participation, whether directly or indirectly, in any improper profit-sharing arrangement, illegal gratuities, indirect contributions, improper inducements or similar payments is not permitted, notwithstanding that they might further the business interests of Calgary Co-op. Maintenance of a high standard of integrity is of the utmost importance to Calgary Co-op.

Since the furnishing of even inexpensive gifts or modest entertainment or benefits to a public official may be open to the interpretation that it was furnished illegally to secure his or her influence as a public official, no such gift, entertainment or benefit may be furnished by a director, officer or employee of Calgary Co-op unless he or she complies with the following conditions:

- a director or officer may from time to time and in appropriate circumstances furnish inexpensive gifts or modest entertainment or benefits to a public official in accordance with the applicable policies of Calgary Co-op;
- an employee who is not an officer may furnish inexpensive gifts or modest entertainment or benefits to a public official only if he or she has received authorization to do so from an officer of Calgary Co-op; and
- an expense account disclosing the expenditure must be submitted for approval to the individual from whom authorization was first obtained (where applicable).

V. Political Contributions

The use of any funds, goods, or services of Calgary Co-op as contributions to political parties, candidates or campaigns (directly or indirectly) is not permitted.

Contributions include money or anything having value, such as loans, services, excessive entertainment, trips and the use of facilities or assets of Calgary Co-op. Further, no director, officer or employee is to be reimbursed for any contributions that he or she might make.

Calgary Co-op encourages political activity and political involvement by individuals acting on their own behalf, but not as representatives of Calgary Co-op.

VI. Conflict of Interest

Directors, officers, and employees must avoid all situations in which their personal interest's conflict with or might conflict with their duties to Calgary Co-op.

Such individuals should be mindful of and seek to avoid acquiring any interests or participating in any activities that tend to:

- deprive Calgary Co-op of the time or attention required to perform their duties properly, or
- create an obligation or distraction that would affect their judgment or ability to act in the best interest of Calgary Co-op.

In certain instances, ownership or other participation in a competing or complementary business enterprise might create or appear to create such a conflict. Directors, officers, and employees are required to disclose in writing to Calgary Co-op all business, commercial or financial interests or activities that might reasonably be regarded as creating an actual or potential conflict with their duties or responsibilities to Calgary Co-op. Every officer and employee who is charged with executive, managerial or supervisory responsibility is required to see that actions taken, and decisions made within his or her jurisdiction are free from the influence of any interests that might reasonably be regarded as conflicting with those of Calgary Co-op.

Directors, officers, and employees are prohibited from: a) taking for themselves personally opportunities that properly belong to Calgary Co-op; b) using Calgary Co-op property, information, or position for personal gain; and c) competing with Calgary Co-op. All such individuals owe a duty to advance the legitimate interests of Calgary Co-op when the opportunity to do so arises.

The duty to avoid conflicts of interest includes a duty of honesty and loyalty to Calgary Co-op in carrying out individual responsibilities to Calgary Co-op and a duty to cooperate with investigations and reasonable inquiries made by Calgary Co-op,

If personal financial benefit is improperly gained by a director, officer or employee directly, or indirectly through a spouse, child or relative sharing the same residence as the

individual, as a result of his or her employment or position or by the use or misuse of property of Calgary Co-op or of information that is confidential to the business of Calgary Co-op, then the individual must account to Calgary Co-op for any benefit received. Directors, officers, and employees must do more than merely act within the law. They must act in such a manner that their conduct will bear the closest scrutiny should circumstances demand that it be examined. Not only actual conflicts of interest but also the very appearance of conflict should be avoided.

VII. Disclosure of Confidential Information

“Confidential Information” includes records, reports, papers, data, information (including electronic information), devices, processes, plans, methods, trade secrets, intellectual property, proprietary information, inventions, and apparatus.

- of Calgary Co-op,
- or to which any director, officer or employee of Calgary Co-op has been permitted access as part of their duties to Calgary Co-op,

that are considered by Calgary Co-op, or the party who has permitted access, to be secret and confidential.

Directors, officers, and employees are required to safeguard Confidential Information and are prohibited from revealing, reproducing, processing, or using Confidential Information unless properly authorized, required by law or the Confidential Information is in the public domain through no fault of the director, officer, or employee. Further, inventions, intellectual property, and proprietary information, which are discovered, developed, or became known to Calgary Co-op officers and employees in connection with their employment with Calgary Co-op are the property of Calgary Co-op and are to be kept confidential.

Calgary Co-op participates in highly competitive industries where new technology, processes and services, and state-of-the-art advances are required on an ongoing basis. This provides an opportunity for Calgary Co-op to survive and prosper in these competitive environments and provides jobs and security for its employees. This requires a constant effort to ensure that trade secrets, research and development, and business techniques are protected and secure. It is important that all individuals know and understand the responsibilities that they have to preserve confidentiality so that Calgary Co-op can continue to operate and protect its business interests. As a result, directors, officers, and employees will not disclose information to the public which might impair Calgary Co-op’s competitive effectiveness or which might violate the private rights of individuals, enterprises or institutions and are prohibited from discussing or disclosing to the public any secret or confidential information about Calgary Co-op without authorization. Disclosure of confidential information may be authorized for legitimate purposes such as full and complete reporting to regulatory agencies, the performance of duties to Calgary

Co-op or the provision of information to customers, employees, members, and the public as may be necessary to allow them to judge adequately Calgary Co-op and its activities.

Officers and employees must comply with Calgary Co-op policies and procedures relating to the retention and destruction of the documents and records of Calgary Co-op.

Directors, officers and employees are also expected to preserve and protect the privacy rights of employees, members and customers, in accordance with company policies and privacy legislation.

The policy of Calgary Co-op is to cooperate with every reasonable request of government investigators for information. At the same time, Calgary Co-op is entitled to all the safeguards provided by law for the benefit of persons under investigation or accused of wrongdoing, including legal representation. If a representative of any government or government agency seeks an interview with you or requests access to data or documents for the purposes of an investigation, you should refer the representative to the Chief Financial Officer / Privacy Officer.

VIII. Recording of Transactions and Disclosure of Funds and Assets

Directors, officers, and employees must protect the assets of Calgary Co-op and ensure their efficient use. Such assets include, without limitation, intellectual property such as corporate or business names, logos, trademarks, patents, copyrights, confidential information, ideas, plans and strategies. Theft, fraud, carelessness, and waste have a direct impact on profitability and are unacceptable. All assets of Calgary Co-op should be used only for legitimate business purposes. Any misuse or infringement of assets of Calgary Co-op should be reported to the Chief Financial Officer / Privacy Officer.

The books and records of Calgary Co-op must fully and fairly disclose, in an accurate, timely and understandable manner, all transactions and dispositions of the assets of Calgary Co-op.

Officers and employees must document and record all transactions in accordance with Calgary Co-op's internal control procedures and in compliance with all applicable accounting principles, laws, rules, and regulations. Under no circumstances should an officer or employee create misleading records or falsify documents.

All funds and assets are to be recorded and disclosed. The use of the funds or assets of Calgary Co-op for any unlawful or improper purpose (including for unauthorized personal gain) is strictly prohibited, and those responsible for accounting and record-keeping functions are expected to be vigilant in ensuring enforcement of this prohibition.

IX. Discrimination-Free Work Environment

Directors, officers, and employees must adhere to the policies which specifically provide for a work environment free of discrimination and harassment, and in which individuals are accorded equality of employment opportunity based upon merit and ability.

Discriminatory practices based on race, religious beliefs, colour, gender, gender identity, gender expression, physical or mental disability, age, ancestry, place of origin, marital status, source of income, family status or sexual orientation will not be tolerated unless permitted by law. All individuals are entitled to freedom from sexual and all other forms of personal harassment in the workplace, understanding that proper management of employees is not personal harassment.

It is not a discriminatory practice to make a distinction between persons based on bona fide occupational requirements. Such distinctions should not be undertaken without first obtaining express authorization from the Vice President, Human Resources.

Further, it is the responsibility of all individuals to contribute to a work atmosphere free of harassing, abusive, disrespectful, disorderly, violent, and disruptive or other unprofessional conduct. Calgary Co-op has developed a comprehensive Discrimination and Sexual and Personal Harassment Policy that is included in the Calgary Co-operative Association Policy Procedure Manual ("Policy Manual") or available from the employee's manager.

X. Health and Safety

Calgary Co-op is committed to providing its officers, employees and the public with safe and secure facilities and workplaces that meet or exceed the laws and government requirements with respect to occupational health and safety. Management and supervisors are responsible for identifying and addressing health and safety hazards in the workplace and training employees to work safely. In turn, all employees are expected to do their part to promote a safe work environment by complying with safe work procedures, following company policies, wearing Personal Protective Equipment when required, complying with all applicable health and safety laws and government requirements, reporting unsafe conditions to their manager, taking steps to protect themselves and others from dangerous conditions and not participating in workplace harassment or violence.

XI. Protection of the Environment

Directors, officers, and employees will treat the protection of the environment as an integral factor in all decision making.

Calgary Co-op is committed to the protection of the environment. To comply with this commitment, Calgary Co-op's policy is to meet or exceed all applicable government requirements. Officers and employees must report to their superiors all circumstances in which toxic substances are spilled or released into the environment. Violations of environmental laws, even if unintentional, can carry severe penalties and could result in prosecution of Calgary Co-op or individuals involved, or both.

XII. Competition and Trade Practice Standards

Calgary Co-op competes vigorously and creatively in our business activities, but our efforts in the marketplace must be conducted in a fair and ethical manner in strict compliance with applicable competition and trade practice laws and regulations.

Under no circumstances will any director, officer or employee be a party to any collusion or concerted effort of any type involving any competitor, vendor, supplier, customer, or other party, which is in violation of competition laws and regulations designed to foster fair competition.

Because competition laws are complex, questions about compliance should be referred to the Chief Financial Officer / Privacy Officer.

XIII. Computing Technology

Calgary Co-op provides computer hardware, software, Internet, email and external data communications to its officers and employees. The use of computers and telecommunications technology has become a prevalent and standard business practice, and all officers and employees must exercise the same discretion as when using other business tools such as office telephones and facilities. Users are expected to efficiently and securely utilize these tools for business purposes, while protecting corporate data and information and exercising appropriate business conduct at all times.

Calgary Co-op computing technology is for business purposes, and personal commercial use is not allowed. Users will not create or transmit any unsolicited commercial, advertising, or recreational material, or use any system resources for political activities or to advance the commercial interests of any party other than Calgary Co-op. Any personal use of Calgary Co-op technology must be in accordance with company policies and not negatively impact the duties of officers or employees to Calgary Co-op or the reputation of Calgary Co-op.

Calgary Co-op's computers and Internet connections are intended to be used for business purposes. Users will not create, access, or transmit any material, data, text, audio, images, or material that is capable of being converted, which is offensive, obscene, indecent, libelous, slanderous, harassing, annoying, defamatory, or illegal. Users are expected to discourage others from transmitting such information to their Internet address. Users

must comply with all laws including those with respect to all forms of intellectual property rights, trademarks, copyrights, criminal activity, and harassment.

Users must use facilities efficiently, minimize unnecessary messages to others, and refrain from activity that will jeopardize the secure normal business operation of the system or the reputation of Calgary Co-op.

Directors, officers, and employees must not post content on websites or social media that would infringe the privacy rights of Calgary Co-op employees, members or customers or negatively affect the reputation of Calgary Co-op, including in respect to personal activity that identifies Calgary Co-op.

All Internet and computer use by Calgary Co-op's officers and employees are subject to periodic and unannounced audit by authorized Calgary Co-op personnel.

Calgary Co-op has developed Internet, email, and Information Technology Policies regarding breaches of security and non-compliance that are included in the Calgary Co-op Policy Manual or available from an employee's manager. Any suspected breach or incident must be reported to the Information Technology Department. Non-compliance with the policies will be referred to an appropriate officer of Calgary Co-op.

XIV. Improper Influence on Conduct of Audits

No director, officer or employee will fraudulently influence, coerce, manipulate, or mislead any internal auditor or independent public or certified accountant engaged in the performance of an audit of the financial statements for the purpose of rendering such financial statements materially misleading.

The honesty and integrity of those who represent Calgary Co-op must underlie all of Calgary Co-op's relationships, including those with members, customers, suppliers, governments, regulators, professional service providers and others. The integrity of Calgary Co-op's financial reporting is of particular importance as Calgary Co-op members rely on Calgary Co-op to provide complete, accurate and timely information. The dissemination of financial statements that contain materially misleading information can have serious legal consequences for Calgary Co-op and individuals involved.

XV. Duty to Report

Every director, officer and employee has a duty to adhere to this Code and all applicable policies and to immediately report to his or her manager or any other member of management or the board any suspected violations. If individuals wish to remain anonymous, they may contact the Calgary Co-op Integrity Hotline ("Integrity Hotline").

The Integrity Hotline is designed to supplement, not replace, existing reporting channels. An independent third-party staff the Integrity Hotline to protect the anonymity of any caller.

It is the responsibility of all individuals to promptly report any misconduct, including any violation of law, the Code, other Calgary Co-op policies, or other improper activities at Calgary Co-op. Calgary Co-op has developed a comprehensive Reporting Code of Conduct and Ethics Violations Policy that is included in the Policy Manual or available from each employee's manager.

Anyone may report questionable accounting or auditing matters on an anonymous basis by addressing a written submission to the Chair of the Audit Committee of Calgary Co-op and delivering such submission by prepaid first-class mail, courier service or other personal method of delivery.

Calgary Co-op will not permit any form of intimidation, retaliation, harassment, or retribution against an individual who has truthfully and in good faith:

- reported violations in accordance with this section;
- lawfully provided information or assistance in an investigation regarding any conduct which the individual reasonably believes constitutes a violation of applicable laws when the information or assistance is conducted by a regulatory or law enforcement agency or a person with management authority over employees or other persons working for Calgary Co-op with authority to investigate, discover or terminate for misconduct;
- filed, caused to be filed, testified, participated in or otherwise assisted in a proceeding related to a violation of applicable laws; or
- provided a law enforcement officer with truthful information regarding the commission or possible commission of an offence,

unless the individual reporting is one of the violators.

Distribution of the Code

Every director, officer and employee of Calgary Co-op will be provided with a copy of this Code. To ensure a proper understanding of this Code, an employee's supervisor will answer any questions pertaining to its application to the area of responsibility of the employee.

At commencement of employment or term of office and at least every three years thereafter, each director, officer and employee must complete the prescribed acknowledgement, which will be retained by Calgary Co-op and which will confirm that each such individual has read or reread, as the case may be, the current version of this Code.

In cases where an individual is engaged under contract to provide services to Calgary Co-op and that individual deals on behalf of Calgary Co-op with government officials or political parties or candidates, or has access to Confidential Information, such individual's contract will, as part of its terms, require compliance with this Code. Such individual will be provided access to this Code and must complete the prescribed acknowledgement, and in connection with the provision of service to Calgary Co-op, this Code applies to such individual in the same manner as it applies to directors, officers, and employees.

Although the various matters dealt with in this Code do not cover the full spectrum of activities associated with Calgary Co-op's business, they are indicative of Calgary Co-op's commitment to the maintenance of high standards of conduct and are to be considered descriptive of the type of behaviour expected from directors, officers, and employees in all circumstances. This Code and the Policy Manual are statements of goals and expectations for individual and business conduct. They are not intended to, and do not in any way constitute, an employment contract or an assurance of continued employment.

This Code does not supersede, change, alter, or replace the existing policies and procedures already in place as stated in the Policy Manual and communicated to officers and employees. Certain policies referred to in the Code are contained in their entirety in the Policy Manual, and reference should be made to the Policy Manual for a copy of those policies and required reporting procedures. The Policy Manual contains information that is proprietary and confidential, and Calgary Co-op hereby expressly denies waiving any right to assert claims that the contents of the Policy Manual are not proprietary and/or confidential.

This Code may be amended, modified, or waived by the Board and the Executive Management; however, waivers of the Code for Financial Matters will not be permitted.



Patricia McLeod
Board Chair
Calgary Co-operative Association Limited



Ken Keelor
Chief Executive Officer
Calgary Co-operative Association Limited

January 2021