SUBSIDIARY CROWN POLICY MANUAL

CIC Crown Investments Corporation OF SASKATCHEWAN

Section 1: Introduction and Purpose

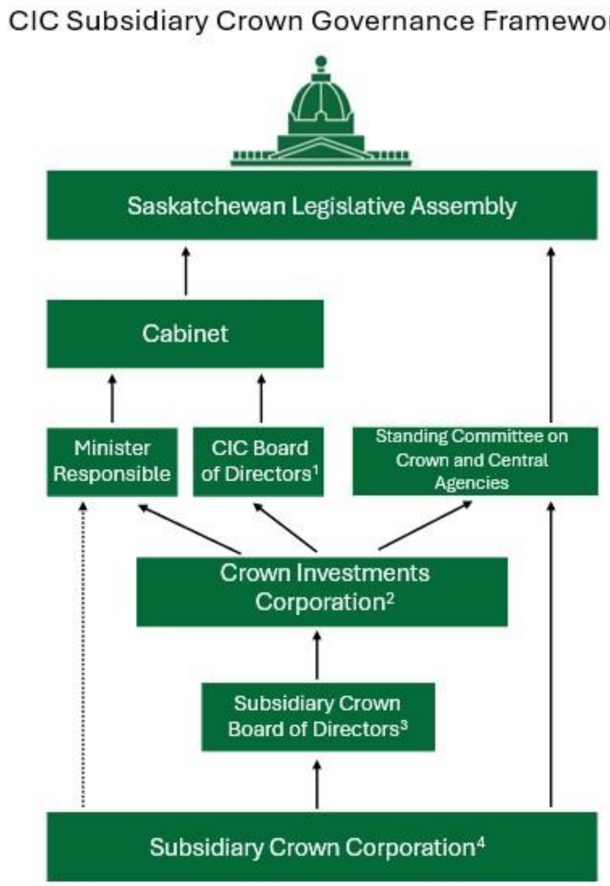
Crown Investments Corporation of Saskatchewan (CIC) issues this Subsidiary Crown Policy Manual (the Manual) as a framework for consistent, modern, and accountable governance across all CIC subsidiary Crown corporations (Subsidiary Crowns).

The Manual is one of the principal mechanisms through which CIC fulfills its statutory obligations (in sections 5 and 6 of *The Crown Corporations Act, 1993)* to exercise supervision and give direction to Subsidiary Crowns and to issue directives that ensure their activities align with government policy and the public interest.

The purpose of the Manual is to:

- establish a clear and accessible set of policies applicable to all subsidiaries;
- provide common governance standards that enable consistency and accountability across the Crown sector; and
- fulfill CIC's leadership role in ensuring that Subsidiary Crown corporations remain aligned with the public interest while delivering effective services to the people of Saskatchewan.

The following illustration depicts the reporting relationship between CIC, Subsidiary Crowns, and the Government of Saskatchewan. All policies in this Manual exist within the boundaries of the Subsidiary Crown Governance Framework



[1] The CIC Board acts as a liaison between Cabinet and Crown corporations and is responsible for confirming mandates and activities are consistent with the interest and intent of government.

[2] CIC is responsible for overseeing Crown corporations by providing guidance in aligning with government priorities, implementing policy programs and initiatives and monitoring sector financial and corporate performance.

[3] Subsidiary Crown Boards serve as the stewardship body responsible for overseeing and monitoring corporate performance.

[4] Subsidiary Crowns are responsible for operational execution and ensuring their activities align with direction and mandates set by their Boards and CIC.

Decision Authority Framework

To ensure clarity in governance and decision-making, Subsidiary Crowns use a structured role assignment model for decisions and actions within a process or policy area. This matrix defines **who approves, recommends, prepares, and informs** each decision area.

The Subsidiary Crown Boards and management rely on the matrix to determine who has final authority to make decisions in prescribed areas.

Role Definitions

- **Prepare:** Develops the analysis, documentation, and supporting information for the decision.
- **Recommend:** Reviews and formally endorses the proposal.
- **Approve:** Holds final authority for the decision. **Only one approver per decision.**
- **Inform:** Receives updates on the decision and its implications.

	Subsidiary Crown Management	Subsidiary Crown Board	CIC Management	CIC Board	Cabinet
Governance					
Board Appointments	-	Prepare	Recommend	-	**Approve**
Board Compensation	-	-	Prepare & Recommend	**Approve**	-
CEO Appointment*	-	Recommend	Prepare	**Approve**	**Inform**
CEO Performance	Prepare	**Approve**	Inform	-	-

*Subject to Premier's Prerogative (as defined in the CEO Appointment and Performance Management policy)

Section 2: Governance of the Manual

Scope

Policy direction applies to all Subsidiary Crowns, being all "CIC crown corporations" as defined in *The Crown Corporations Act, 1993*. Unless otherwise authorized in writing by CIC, Subsidiary Crowns are expected to ensure that applicable policy direction is implemented by their wholly-owned subsidiaries.

Ownership and Accountability

Approver of policies: The CIC Board of Directors is the approving authority for all policies contained within this Manual. CIC Policy Owners may approve very minor administrative or housekeeping amendments to the policies.

Approver of supporting materials: The CIC Policy Owner is the approving authority for all supporting materials contained in the "Related Documents and References" section of the policy.

Review Process

CIC Crown Services will initiate annual planning to determine which policies are due for review, which new policies are required to address emerging risks, and which existing policies may be retired. Subsidiary Crowns will be engaged through consultation led by the CIC Policy Owner, to ensure that operational realities and sector perspectives inform the policy review or creation process.

Each policy will have a standard review cadence outlined within the policy. In addition to the standard review cadence, a policy can be reviewed at any time if required by the CIC Board or if identified by the CIC Policy Owner as requiring review due to legislative, operational or strategic developments.

Compliance and Monitoring

Subsidiary Crowns must comply with all policies approved by the CIC Board. Compliance will be subject to periodic monitoring, and each Subsidiary Crown must provide confirmation or proof of compliance to the CIC Policy Owner, as required. Any policy-specific requirements are noted within the policy.

CIC reserves the right to conduct targeted reviews or audits of compliance where appropriate and will report on overall compliance to the CIC Board as part of its oversight responsibilities. Non-compliance may result in remedial actions.

Update and Communication Protocols

A record of amendments and approvals will be maintained by CIC Crown Services. Once approved, updated policies will be communicated formally by CIC to the Subsidiary Crown Operational Owner. Policies are available on a digital platform with clear version control, effective dates, and cross-links to related guidance.

Section 3: How to Use This Manual

This Manual has been designed to be clear, navigable, and user-friendly. It is structured to help executives, leaders, and policy practitioners at the Subsidiary Crowns quickly locate the guidance they need.

Understanding the Document Types

To support clarity, accessibility and usability, CIC has adopted a segmented approach to policy content. Each type of document serves a distinct purpose:

Policy: High-level directive approved by the CIC Board. Defines 'what must be done' and is binding on all Subsidiary Crowns. Policies are drafted in a consistent format.

Supporting Guidance and Tools : Where appropriate, additional tools have been developed to support Subsidiary Crown understanding and application of the policies. The most common example is a Procedure which defines ‘what must be done’ to implement policy direction consistently across Subsidiary Crowns. Other supporting tools may include Guidelines, Quick Reference Guides and templates.

Each Subsidiary Crown may choose to develop additional procedures to operationalize a policy in the context of the Subsidiary Crown’s own systems, processes and business practices. The Subsidiary Crown remains accountable for ensuring ultimate compliance with the policies and procedures in the Manual and for maintaining and managing any additional procedures created at the Subsidiary Crown level.

Roles and Responsibilities

CIC Crown Services (Legal) is the designated owner of the Manual and is responsible for coordinating and supporting the policy review / drafting process, overseeing the quality and consistency of the Manual, and establishing and executing standards for publishing and effectively communicating policies to Subsidiary Crowns.

To clarify accountability within CIC and at Subsidiary Crowns, each policy will specifically designate three roles with the following accountabilities:

CIC Policy Owner

Who: CIC executive responsible for the overall policy content and compliance with the policy by Subsidiary Crowns.

Example: Chief Financial Officer (or equivalent role).

Key responsibilities:

- Strategic Oversight: Ensure the policy aligns with Crown sector values, legal obligations, and strategic goals.
- Risk Assessment: Evaluate risks and implications of the policy.
- Designate a Policy Lead within their division for each policy.
- Approval and Endorsement: Present new policies or material changes to policies to the CIC Board for approval.
- Communication: Ensure policy requirements (including changes) are communicated to the Subsidiary Crown Operational Owners.
- Escalation Point: Resolve disputes or exceptions related to the policy.
- Governance and Compliance: Monitor compliance with policy and report as required.

CIC Policy Lead

Who: CIC Director level leader who is the senior subject-matter expert in the policy area, as designated by the CIC Policy Owner.

Example: Corporate Controller.

Key Responsibilities:

- Create and Update: Monitor policies and recommend updates.
- Engage Stakeholders: When review cycle initiated by CIC Legal, assemble and coordinate team required for holistic review of content.
- Recommend: Policy content to CIC Policy Owner.
- Support Training: Assist with policy rollout and awareness (e.g. training, Q&A sessions, etc.) to Subsidiary Crowns, as required.
- Monitor and Improve: Track policy effectiveness and gather feedback.

Subsidiary Crown Operational Owner

Who: Subsidiary Crown executive (or Board Chair) responsible to coordinate policy input, communication and compliance within the Subsidiary Crown.

Example: Chief Financial Officer (or equivalent role).

Key Responsibilities:

- Execution: ensure execution and effectiveness of policies within their organization.
- Compliance: ensure compliance and provide compliance confirmations to CIC, as required.
- Awareness and Communication: Ensure policy existence and requirements are communicated within the Subsidiary Crown.
- Coordinate with CIC Policy Owner to support compliance and suggest updates.
- Liaise with Subsidiary Crown Board as required.

Understanding Each Policy Component

1. **Objective**
   States *why* the policy exists. Describes the intended outcome or purpose—what the policy aims to achieve or protect.

2. **Requirements**
   Outlines the *rules, standards, or actions* that must be followed. These are the core policy statements – what must be done, avoided, or maintained.

3. **Roles and Responsibilities**
   Specifies *who is responsible* for managing, complying with and enforcing the policy (Roles and Responsibilities above).

4. **Authority**
   Identifies any *source of authority* for the policy. This may include reference to legislation, standards, or internal governance bodies.

5. **Reviews and Exceptions**
   Explains how the policy will be *reviewed and updated* (e.g., annually, biannually), and the process for requesting *exceptions*. Includes who can approve exceptions and under what conditions.

6. **Compliance and Monitoring**
   Describes how *adherence* to the policy will be monitored and assessed. Specify that either the standard requirements apply or notes any unique requirements for audits, reporting, and consequences for non-compliance if applicable.

7. **Related Documents and References**
   Links any associated procedures or supporting tools (Quick Reference Guides, etc.),

Further Support

Input on the policy or questions about its interpretation should be directed by the Subsidiary Crown Operational Owner to subsidiarypolicymanual@cicorp.sk.ca, with a copy to the CIC Policy Owner.

Section 4: Policies

I. Governance Policies

CEO Appointment and Performance Management Policy

Effective date: August 20, 2026
Next review date: August 20, 2028

Objective

To set out the requirements for the recruitment, selection, appointment, and performance management of Subsidiary Crown Chief Executive Officers.

Requirements

- Subsidiary Crown Boards must ensure the CEO recruitment and selection process is merit-based, transparent and guided by an objective assessment of:
  - the candidate's skills and experiences as compared to the position description of competencies required to effectively manage the Subsidiary Crown; and
  - the candidate's ability to function effectively in a public sector environment.

- The Subsidiary Crown Board is responsible to lead the CEO recruitment process, including striking a search committee which must include the Chair of the Subsidiary Crown Board (or delegate), at least two members of the Subsidiary Crown Board and the President and CEO of CIC.

- The President and CEO of CIC is responsible to brief the Minister responsible for CIC and the Premier on the CEO selection process to ensure that the Premier is informed should the Premier elect to exercise the Premier's Prerogative.

- CEO appointments must be approved by the CIC Board of Directors.

- The Subsidiary Crown Board is responsible for implementing and overseeing an annual performance evaluation to assess the CEO's performance against applicable objectives and key performance indicators.

- Performance management outcomes must be documented, reviewed and approved by the Subsidiary Crown Board, and utilized to inform decisions related to the CEO's ongoing development.

Roles and Responsibilities

CIC Policy Owner: Vice President, Crown Services
CIC Policy Lead: Executive Director, Crown Governance
Subsidiary Crown Operational Owner: Chair of each Subsidiary Crown Board

Authority

The Crown Corporations Act, 1993.

Review and Exceptions

This policy will be reviewed every two (2) years or as required to reflect changes in legislation, governance practices, or CIC requirements. No exception may be made to the approvals required by the Subsidiary Crown Board or the CIC Board.

Compliance and Monitoring

Standard requirements as set out in Section 2: Governance of the Manual.

Related Documents and References

CEO Appointment Procedure

Definitions

- "Premier's Prerogative" means the right of the Premier of Saskatchewan to confirm the Subsidiary Crown Board's recommendation of an individual to serve as the CEO of a Subsidiary Crown, to ask for another recommendation, or confirm the appointment of an alternate individual.

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Directors’ Code of Conduct

Effective date: August 20, 2026
Next review date: August 20, 2028

Objective

To set out the legal and ethical obligations of directors appointed to serve on a Subsidiary Crown Board.

This policy applies to all individuals appointed to serve on a Subsidiary Crown Board, other than elected officials (as such elected officials are subject to *The Members’ Conflict of Interest Act* and *The Members’ Conflict of Interest Regulations*).

Requirements

- **Principal Duties** - Directors are responsible for overseeing the business and affairs of the Subsidiary Crown corporation according to two principal duties:
  - a fiduciary duty, or duty of loyalty, requires directors to act honestly and in good faith, with a view to the best interests of the Subsidiary Crown corporation. In the case of a Subsidiary Crown corporation, this duty is expanded to require consideration of the public policy and business objectives of the corporation; and,
  - the duty of care requires directors to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

- **Confidential Information** - Directors are required to maintain the confidentiality of information received in their capacity as a director. To ensure confidentiality and security of information, each Subsidiary Crown corporation will provide its directors with a corporate email address, which must be utilized for all corporate and board-related communication, and ensure that internal information security policies apply to these addresses.

- **Compliance with Laws** - Directors must ensure that the Subsidiary Crown corporation complies with all laws, regulations, standards and policies that are applicable to the Subsidiary Crown corporation.

- **Gifts, Benefits and Services** - Directors shall not solicit or accept any gift, benefit or service as an inducement, or in exchange, for performing any act in connection with their duties or responsibilities to the Subsidiary Crown corporation. Acceptance of any benefit from a person or entity that does business, or seeks to do business, with the Subsidiary Crown corporation, is prohibited if it could reasonably be construed as influencing the Director’s independence, objectivity, impartiality or judgement.

- **Political Activities** - Directors are free to participate in political activities; however, any activities must be clearly separated from activities related to the director's official position. In relation to the exercise of their duties and responsibilities, directors must remain impartial and retain the perception of impartiality. Any director who wishes to run as a candidate in a provincial or federal election is required to take a leave of absence from the board, without pay, commencing when the writ is issued and for the duration of the campaign. Following the election, the director must resign from the board if elected or may return to the board as a director if not elected.

- **Preferential Treatment and Impartiality** - Directors must not act in their official role to assist organizations or persons in their dealings with the Subsidiary Crown corporation if this may result, or be perceived to result, in preferential treatment to that organization or person.

- **Misuse of Position for Personal Gain –** Directors must ensure their position on the Board is not utilized to further their own personal interests, or the interests of an Associate.

- **Material Contracts** - Directors must not participate in any financial transactions, contracts, or private arrangements that benefit the director personally or benefit an Associate and which arise from or are discovered through the director's position, authority or knowledge gained through their service on the board, or that are based upon confidential or non-public information gained by reason of their position. Directors must provide written disclosure of material contracts to the Chair of each Subsidiary Crown Board.

- **Duty to Declare –** Directors who have reasonable grounds to believe that a conflict of interest exists should, if present at a meeting of directors considering the matter, disclose the general nature of the conflict, abstain from voting on the matter, and consult with the Board of the appropriateness of remaining in the meeting during discussions of the matter.

- **Duty to Report** - Directors have a duty to report to the Subsidiary Crown Board Chair any activity which represents a breach of this policy or conflict of interest guidelines, they believe contravenes the law or represents a misuse of Subsidiary Crown corporation funds or assets.

- **Criminal Record Check -** In accordance with the Government of Saskatchewan's procedures for appointed Boards, all directors must complete a satisfactory criminal record check upon appointment or re-appointment and disclose any offence with which they are charged during their term to the CIC Policy Lead.

Roles and Responsibilities

CIC Policy Owner: Vice President, Crown Services
CIC Policy Lead: Executive Director, Crown Governance
Subsidiary Crown Operational Owner: Chair of each Subsidiary Crown Board

Authority

The Crown Corporations Act, 1993.

Review and Exceptions

This policy will be reviewed every two (2) years or as required in response to legislative or governance changes. Exceptions may only be granted by the CIC Board upon recommendation from the CIC Policy Owner.

Compliance and Monitoring

Management Review – In addition to the requirements set out in Section 2: Governance of the Manual, the Subsidiary Crown Operational Owner is responsible for conducting and documenting periodic management reviews of compliance with this policy, including spot checks or sample testing, and reporting results to the CIC Policy Owner. The scope, frequency, and depth of review activities are determined by the Subsidiary Crown Operational Owner based on risk, complexity, and materiality. The Subsidiary Crown Operational Owner is responsible for tracking and remediating identified issues in a timely manner.

Related Documents and References

Directors' Conflict of Interest Guidelines

Definitions:

- "Associate" includes any person who has the same residence of the director; any partner, other than a limited partner of that person; and any business, corporation, or organization in which the director or a related person has financial or managerial interest in.

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Remuneration and Expenses for Subsidiary Crown Board Members Policy

Effective date: August 20, 2026
Next review date: August 20, 2028

Objective

To set out requirements for fair, transparent, and accountable remuneration and expense reimbursement for directors of Subsidiary Crowns.

Scope

This policy applies to all individuals appointed to serve as members of a CIC Subsidiary Crown Board of Directors, except individuals employed by the Government of Saskatchewan, including Subsidiary Crowns, Ministries, or other government agencies or bodies, and members of the Legislative Assembly of Saskatchewan.

Requirements

- **Remuneration rates** - Board members receive retainers and meeting fees as follows:

Subsidiary Crown Corporation	Annual Retainers					Meeting Fees	
	Board Chair – Retainer [1]	Board Vice-Chair – Retainer [2]	Board Member - Base Retainer	Audit & Finance Committee Chair - Additional Retainer	Other Committee Chair - Additional Retainer	Half-Day Meeting Fee [3]	Full-Day Meeting Fee [4]
• SaskEnergy Incorporated • Saskatchewan Government Insurance • Saskatchewan Power Corporation • Saskatchewan Telecommunications	$40,000	$30,000	$25,000	$3,500	$2,500	$375	$750
• Saskatchewan Water Corporation	$20,000	$16,500	$14,000	$2,600	$2,000	$325	$650

[1 and 2] Board Chairs and Vice-Chairs are not eligible to receive additional retainers for Chairing committees.

[3] A half-day meeting fee is payable for eligible director duties scheduled for or extending up to 4 hours in a single day.

[4] A full-day meeting fee is payable for eligible director duties scheduled for or extending 4 or more hours in a single day.

- **Annual retainer and meeting fees -** Retainers are payable on a quarterly basis and compensate directors for meeting preparation and Board meeting attendance. At the discretion of the Board Chair, repeated absences from meetings may result in the withholding of all or a portion of the applicable retainer.

Meeting fees are payable for director attendance at:
- committee meetings;
- training sessions or events organized by CIC; and
- other activities undertaken in support of the director's role for which the director has received the prior written consent of the Board Chair, including attendance at corporate events or business functions as a representative of the Board of Directors.

- **Reimbursement of expenses** - With the prior written approval of the Board Chair and as authorized by CIC, directors are eligible for reimbursement of:
  - registration fees and reasonable expenses incurred in relation to attendance at event or meeting for which a meeting fee is payable, including meals (supported by receipts) and mileage (at the kilometer rate applicable to Subsidiary Crown employees);
  - expense claims must be submitted by directors to Subsidiary Crown management for reimbursement on a timely basis; and
  - expense payments to directors are reviewed quarterly by the Audit Committee (or designated committee).

- **Public Reporting** - Annually, directors' remuneration and expenses will be reported in the Subsidiary Crown's Payee Disclosure Report.

Roles and Responsibilities
CIC Policy Owner: Vice President, Crown Services (Governance Division)
CIC Policy Lead: Executive Director, Crown Governance
Subsidiary Crown Operational Owner: Chair of each Subsidiary Crown Board

Authority
The Crown Corporations Act, 1993.

Review and Exceptions
This policy will be reviewed every two (2) years, or as required if required due to changes in legislation, governance practices, or CIC direction. Exceptions to this policy must be approved in writing by the CIC Board of Directors.

Compliance and Monitoring
Standard requirements as set out in Section 2: Governance of the Manual.

Related Documents and References
Remuneration and Expenses for Subsidiary Crown Board Members Guidance

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Subsidiary Crown Governance Policy

Effective date: August 20, 2026
Next review date: August 20, 2028

Objective

To define governance expectations for Subsidiary Crowns, ensuring that governance structures, oversight, and reporting are consistent with CIC's governance framework.

Requirements

- **Oversight of Subsidiary Crown -** A Subsidiary Crown Board is accountable for overseeing the Subsidiary Crown and is responsible to:
  - approve corporate strategic plans that align with the Crown Sector Strategic Priorities;
  - align to CIC's governance framework through overseeing the development of internal governance policies;
  - constitute, at minimum, a committee or committees accountable for audit, finance and governance matters;
  - conduct annual performance evaluations, with the following assessments being undertaken in successive years: comprehensive board and board chair, committees and committee chairs, and individual director peer;
  - develop a board skills matrix and, when requested, advise the CIC Policy Owner of any skill gaps that exist as a result of board vacancies;
  - oversee actions taken by management to achieve the corporate strategy and organizational objectives;
  - oversee management's systems to identify and manage significant risks;
  - ensure that management maintains effective transparency and accountability processes, including reporting performance in accordance with CIC's governance framework; and
  - oversee communication processes in place with employees to understand shareholder expectations for governance.

- **Oversight of wholly-owned subsidiary** - With respect to a wholly-owned subsidiary, the Subsidiary Crown Board is responsible to:
  - align to CIC's Governance Framework, unless an alternate approach is confirmed in writing by the CIC Policy Owner, with specific description to the alternate approach that will be taken and the supporting rationale;
  - ensure that the role and purpose of the wholly-owned subsidiary is clearly linked to the objectives of the Subsidiary Crown's strategic plan;
  - ensure that any delegation of authority to a wholly-owned subsidiary is supported by a documented governance framework, including defined roles, mandate, and scope of authorities; and

- where the appointment authority lies with the Subsidiary Crown, appoint members to the Board of Directors of the wholly-owned subsidiary that have the skills, expertise, commitment, and time to fulfill their fiduciary responsibilities.

Roles and Responsibilities

CIC Policy Owner: Vice-President, Crown Services

CIC Policy Lead: Executive Director, Crown Governance

Subsidiary Crown Operational Owner: Chair of each Subsidiary Crown Board

Authority

The Crown Corporations Act, 1993.

Review and Exceptions

This policy will be reviewed every two (2) years or as required in response to legislative or governance changes. Exceptions may only be granted by the CIC Board upon recommendation from the CIC Policy Owner.

Compliance and Monitoring

Management review - In addition to the requirements set out in Section 2: Governance of the Manual, the Subsidiary Crown Operational Owner is responsible for conducting and documenting periodic management reviews of compliance with this policy, including spot checks or sample testing, and reporting results. The scope, frequency, and depth of review activities are determined by the Subsidiary Crown Operational Owner based on risk, complexity, and materiality. The Subsidiary Crown Operational Owner is responsible for tracking and remediating identified issues in a timely manner.

Related Documents and References

Definitions

- "CIC Governance Framework" means the set of corporate governance policies, practices, and standards adopted by CIC to guide governance of Subsidiary Crowns.

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Section 5: Supporting Guidance and Tools

I. Governance Section

CEO Appointment Procedure

Step 1: Initiation

- Subsidiary Crown Board identifies the need for a CEO appointment or reappointment (e.g., vacancy, retirement, or contract expiry).
- Subsidiary Crown Board notifies CIC President of the upcoming appointment process, provides a proposed position description for approval of the Minister responsible for CIC and strikes a selection committee.

Step 2: Recruitment Process

- Subsidiary Crown Board designs and carries out a transparent, merit-based recruitment process. The Chair may elect to engage an executive search firm to support the recruitment process.

Step 3: Recommendation

- The search committee creates a short list of at least three (3) potential candidates appropriate for appointment, including an identified preferred candidate. The short list shall clearly communicate the rationale for selection.
- The President of CIC shall informally vet the short-list with the Minister responsible for CIC, CIC Board and Premier.

Step 4: Approvals

- The Subsidiary Crown Board must consider and recommend a preferred candidate to the CIC Board.
- The CIC Board must consider and approve a preferred candidate. The approval is then submitted to Cabinet for information.

Step 5: Appointment Confirmation, Documentation and Announcement

- The Chair of the Subsidiary Crown Board prepares a compensation package for the preferred candidate and submits it to CIC for approval. The Subsidiary Crown prepares the necessary draft contracts.
- CIC approves the compensation offer and, in consultation with the Communications Unit of Executive Council, issues a press release announcing the appointment.
- Subsidiary Crown management fulfills all requirements of *The Crown Employment Contracts Act*.

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Directors’ Conflict of Interest Guidelines

Defining a Conflict of Interest

A conflict of interest is a situation where a director’s private affairs are in conflict, or could result in the perception of conflict, with the director’s duties to the Subsidiary Crown corporation.

Conflicts of interest can be real, perceived or potential.

- A real conflict of interest arises when there is a direct and current conflict between a director’s duties and the director’s private affairs.
- A perceived conflict of interest arises where it is perceived, or it appears, to a reasonable person that a director’s private affairs could improperly influence the carrying out of their duties.
- A potential conflict of interest arises when a director’s private affairs could conflict with their duties in the future.

Conflicts of interest arise naturally, and often, in ordinary circumstances. Avoiding conflicts of interest, in the narrow sense, means putting the duty to the Subsidiary Crown corporation ahead of any other duty or interest. In the broader sense, avoiding conflicts of interest means that the director must assess Subsidiary Crown business affairs in light of their benefit to the Subsidiary Crown. Every director may contribute their unique skills and perspectives to any discussion; however, when it comes to decision making, the director’s actions will be judged in terms of the benefit to the Subsidiary Crown as a whole.

Assessing Possible Conflicts of Interest

Directors have a responsibility to avoid conflicts of interest through identifying, declaring and mitigating any issue that could give rise to a real, perceived or potential conflict of interest. These guidelines are intended to provide a framework for assessing possible conflicts.

Any issue not covered in these guidelines should be addressed in accordance with the general principles in this document. Board Directors may also seek guidance from the Subsidiary Crown corporation board Chair, Ethics Advisor, Subsidiary Crown corporate legal counsel, or CIC’s Crown Governance Unit.

Gifts, Benefits and Services - When offered gifts, benefits or services associated with official duties, consideration should be given to whether:

- the item or gesture could reasonably be construed as influencing the director’s judgement, objectivity or decision-making;
- acceptance could create a perception of favoritism, obligation, or divided loyalty;
- the value and nature of the gift, benefit or service are within reasonable bounds of propriety and consistent with normal standards of hospitality; and
- disclosure of the offering is appropriate to mitigate any appearance of impropriety.

Directors may accept gifts, benefits or services associated with their official duties if such gifts, benefits or services:

- are within the bounds of propriety, a normal expression of courtesy or within the normal standards of hospitality;
- would not raise questions about the director's objectivity and impartiality; and
- do not compromise the integrity of the Subsidiary Crown corporation.

Political Activities - When considering if political involvement may conflict with Subsidiary Crown board duties, consideration should be given to whether:

- the political activities, affiliations, or public statements could be perceived as compromising the board's neutrality or the Subsidiary Crown's non-partisan position; and
- the political activities utilize the Subsidiary Crown's resources, information or director's position.

Preferential Treatment and Impartiality - When evaluating whether actions or decisions may constitute preferential treatment or compromise impartiality, consideration should be given to whether:

- any individual, organization or stakeholder is receiving an advantage that is not based on merit, transparency, or established criteria;
- the director's position was leveraged, or influenced, in a way that compromises trust or fairness; and
- all parties have been provided equal access to information, opportunities and consideration is given in organizational dealings.

Misuse of Position for Personal Gain - When dealing with potential corporate opportunities and evaluating whether a director's position was utilized to further private interests, consideration should be given to whether:

- the opportunity belongs to the Subsidiary Crown corporation or arises directly from information, relationships, or position gained through board work;
- pursuing the opportunity personally could be perceived as competing with or undermining the Subsidiary Crown's interests;
- personal involvement in the opportunity could compromise impartiality or create the appearance of divided loyalty;
- any action, recommendation, or decision could be perceived as serving personal or external business interests; and
- the outcome primarily benefits an organization or outside entity rather than the Subsidiary Crown corporation.

Material Contracts - When evaluating whether involvement in a material contract may give rise to a conflict of interest, consideration should be given to whether:

- the director, or an Associate of the director, has a direct or indirect financial interest in the contract or in any party to it;
- participation in discussions or decisions related to the contract could influence, or appear to influence, the outcome for personal or external benefit;
- disclosure of the interest is necessary to enable transparent and fair consideration by the board; and
- recusal from deliberation or voting would protect the integrity of the decision-making process.

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Remuneration and Expenses for Subsidiary Crown Board Members Guidance

Directors may claim mileage when required to travel more than 50 kilometers one-way from their principal residence to the location of the Board meeting or other event for which a meeting fee is payable.

Directors should not rent a vehicle unless the cost of using other ground transportation methods (personal vehicle mileage claim, Uber, Lyft, etc.) exceeds the cost of vehicle rental. Company and intermediate rental vehicles should be used unless three or more directors are travelling together. Additional vehicle rental collision coverage and third-party liability coverage should be purchased through the rental agency if the directors' personal credit card does not provide such coverage.

Directors travelling by air should select economy class.

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