

TOURISM NOVA SCOTIA

CODE OF CONDUCT

TOURISM
NOVA SCOTIA 

Code of Conduct

I. Introduction

The Code of Conduct for Tourism Nova Scotia (TNS) applies to all directors and employees. TNS is committed to maintaining the highest standards of legal and ethical conduct in all of its activities to sustain the public's trust and confidence in the Corporation's fulfillment of its mandate.

The Code outlines the basic legal and ethical obligations of directors and employees. It is not intended to be exhaustive. If issues arise that are not addressed specifically by the Code, they should be addressed in accordance with the general principles in this document or through the exercise of sound business and ethical judgment. Consultation with relevant advisors is also encouraged. This Code is supplementary to any statutory or common law duties and obligations, or any other standards applicable to directors or employees of the Corporation.

To demonstrate commitment to transparency and accountability, this Code is available to the public on the Corporation's website.

II. Principles

TNS is committed to conducting business in a manner that:

- Recognizes that Crown corporations are agents of the provincial government and that directors and employees must act in the best interests of TNS while taking into account the public policy and business objectives of the Corporation
- Appreciates the role of public enterprise in the provincial economy and the lives of Nova Scotians
- Is socially and environmentally responsible
- Values the trust of customers, employees, partners and stakeholders, demonstrating honesty, integrity, fairness and respect in all activities
- Operates in a businesslike and financially responsible way, and
- Recognizes the directors' role within the Corporation to provide leadership and direction regarding this Code and any similar guidelines applicable to the Corporation's employees

III. Expected Standards

A. *Acting in the Best Interests of the Corporation*

(i) *Loyalty*

Directors and employees are expected to act honestly and in good faith, with a view to the best interests of the Corporation.

(ii) *Corporate Opportunities*

Directors and employees must not take advantage of, or use for their own benefit, commercial opportunities that they learn about in the course of carrying out their TNS duties. They must not participate in any financial transactions, contracts, or private arrangements for personal profit, which arise from or are discovered through the director's position, authority or knowledge gained during their tenure with TNS, or are based upon confidential or non-public information the director or employee gains by virtue of such position, authority or knowledge.

(iii) *Confidential Information*

Directors and employees must protect the information received in confidence by them in their capacity as directors or employees of TNS, except where disclosure is authorized by the Corporation (through the CEO or the Board Chair) or is required by law (including the FOIPOP Act).

(iv) *Conflict of Interest*

Directors and employees are expected to avoid any conflict of interest, or the appearance of a conflict, by placing the interests of the Crown Corporation ahead of their own personal interests, or the interests of any associate or family member. A conflict of interest arises when a director or employee's private or personal interest supersedes or competes with his or her official duties with TNS. This could arise from an actual, potential or perceived conflict of interest of a financial or other nature. Directors and employees must avoid not only actual conflict, but the potential for conflict and perceived conflicts.

The TNS Act says:

13 (1) The Board is a department for the purpose of the definition of "department" in the Conflict of Interest Act and, for greater certainty, Section 22 of that Act applies to the members of the Board.

Subsection 22(4) of the Conflict of Interest Act says:

(4) Where a public employee is at a meeting at which consideration of a decision arises in the execution of the office of the public employee and knows or ought to know that the decision could result in the furthering of a private interest, the public employee shall:

- (a) inform the meeting that the decision could result in a personal benefit to the public employee and the general nature of that benefit;*
- (b) withdraw from the meeting; and,*
- (c) **refrain from participating in or influencing the decision**, and the Secretary of the meeting shall make a record of the information given and the withdrawal.*

Directors or employees who engage in outside activities (employment or volunteer work) that call into question, or may be perceived as calling into question, their ability to carry out their duties in an impartial manner are in a potential conflict with their duty to the Corporation.

Definitions

Actual conflict of interest: a situation where a director or employee has a private or personal interest that is sufficiently connected to his or her duties and responsibilities for TNS that it influences the exercise of these duties and responsibilities.

Perceived conflict of interest: a situation where reasonably well-informed persons could properly have a reasonable belief that a director or employee has an actual conflict of interest even where that is not the case in fact.

Potential conflict of interest: a situation that may unfold in the future where a director or employee has a private or personal interest that could influence or be perceived to influence the performance of his/her duties or responsibilities.

Examples

A conflict of interest may arise from, for example:

- Memberships, directorships or other employment
- Interests in business enterprises or professional practices
- Share ownership (direct or indirect)
- Existing professional or personal associations with the Corporation
- Professional associations or relationships with other groups or organizations
- Personal associations with other groups or organizations, or
- Family relationships

Some examples of potential conflicts in TNS' context include:

- A director's professional services firm is bidding to become a supplier to TNS
- A senior employee's spouse works for a communications firm seeking to become TNS' agency of record
- An employee/ an employee's family own a tourism establishment (*)
- A director's tourism establishment pitches an exclusive partnership to TNS
- A director becomes associated with a supplier with established business relationships with TNS
- A director who chairs another industry association (*)
- An employee sitting on the board of an industry association (*)

(*) For the sake of clarity, as part of normal director education activities, TNS will occasionally have commercial dealings with tourism-related businesses where one or more members of the board may have a vested interest. Those arrangements will be made on normal commercial terms without discussion with the director(s) involved and, for the purposes of this section, will not be considered a conflict of interest.

Mechanisms for avoiding or managing the risk of conflict of interest include:

- Immediate declaration of potential conflicts and withdrawal from any discussion/decision-making that relates to the conflict of interest
- Divesting conflicting business interests
- Severing connections that may create a conflict of interest
- Refraining from participation in outside activities (e.g. volunteer, employment, etc.)
- Strict adherence to requirements for confidentiality of information obtained in the course of service as a director of the Corporation
- Not receiving information on a matter that relates to a potential area of conflict
- Avoiding situations that could be perceived as using the director's role with the Corporation to further private interests, including but not limited to the inappropriate use of confidential information
- Resignation/termination from TNS

(v) *Conflict of Interest – Protocols*

(a) ***Members of the Board of Directors***

1. Directors will annually complete a Declaration that includes the identification of actual or potential conflicts of interest. A summary of declarations of conflicts will be prepared by the Board Secretary and shared with the Board so that all directors are aware of conflicts or potential conflicts around the Board table.
2. In addition to the annual declaration, at the beginning of every Board meeting, the Board Chair will ask and have recorded in the minutes whether any member has a conflict to declare regarding any agenda item.

3. In the event that a conflict only becomes apparent to a director during the course of a Board discussion, the director is expected to immediately declare the general nature of the conflict.
4. After a director has disclosed a conflict (actual, potential or perceived), the director must withdraw from the meeting room while matters related to the conflict are being discussed or voted on and the minutes should reflect this. The director is not to influence discussions or decisions relating to the matter in any way.
5. Where a director is unsure whether he or she is in a conflict, the said director is to raise the issue with the Chair of the Governance Committee, who may also consult with the Board Chair. The director and the Chair of the Governance Committee may be able to resolve the issue. If not, and if time permits, the Chair of the Governance Committee will refer the matter to the Governance Committee for advice. If there is no informal resolution of the issue, the director concerned and/or the Chair of the Governance Committee will bring the circumstances to the attention of the Board and the Board will determine by majority vote whether or not a conflict exists. The director in question must refrain from voting on whether or not a conflict of interest exists.
6. Where a conflict of interest is discovered after consideration of a matter, it is to be declared to the Board and appropriately recorded at the first opportunity. If the Board determines that the involvement of the director influenced the decision of the matter, the Board is to re-examine the matter and may rescind, vary, or confirm its decision.
7. Any director who perceives another director to be in a conflict of interest in a matter under consideration is to raise this concern with the Chair of the Governance Committee, who may also consult the Board Chair. The Chair of the Governance Committee, in turn, is to discuss the matter with the director who is perceived to be in conflict and, as appropriate, to hold further discussions with the reporting director. If the discussions do not lead to a resolution, the matter is to be brought to the Board and the Board is to determine by majority vote whether or not a conflict of interest exists. The director perceived to be in conflict is to refrain from voting.
8. Where there has been a failure on the part of a director to comply with the Conflict of Interest provisions of this Code of Conduct, unless the failure is the result of a bona fide error in judgment, the Board is to:
 - a. Issue a verbal reprimand, or
 - b. Issue a written reprimand, or
 - c. Request that a director resign, or
 - d. Request that the Minister exercise his/her discretion to remove the director from office as contemplated in the Act.

(b) Employees

1. Employees will annually complete a Declaration that includes the identification of actual or potential conflicts of interest. A summary of declarations of conflicts will be prepared and shared with the CEO and Senior Management team so that they are aware of the potential for conflicts within the Corporation.
2. In addition to the annual Declaration, an employee who becomes aware of an actual, potential or perceived conflict has an obligation to disclose that conflict in writing to his/her immediate supervisor who will, in turn, consult the CEO on the matter.
3. Where an employee is unsure whether or not he or she is in a conflict, the employee should raise the matter informally with his/her immediate supervisor who will, in turn, seek advice from the CEO on the matter.
4. After an employee has disclosed a conflict (actual, potential or perceived), the employee must withdraw from any meeting or discussion while matters related to the conflict are being discussed or voted on and any meeting minutes should reflect this. The employee is not to influence discussions or decisions relating to the matter in any way.
5. In very limited circumstances, an employee may be permitted to continue to participate in a discussion despite the conflict by obtaining the prior approval of the CEO.
6. Where a conflict is disclosed, the specific nature of the conflict will be explored to determine if it is an isolated situation or one that could be problematic on an ongoing basis. The mechanisms for avoiding conflicts of interest for the Corporation will also be examined to see what mitigating steps, if any, could be taken to avoid the conflict. For example, employee may also be asked to withdraw from outside activities giving rise to the conflict.
7. Where the potential for conflict is significant and ongoing, the employer and employee will mutually agree on TNS's obligation to the employee which may include but not limited to opening up discussions on a reasonable approach in respect of the employment status of the employee.
8. Any employee who perceives another employee to be in a conflict of interest in a matter under consideration is to raise this concern with his/her immediate supervisor who will, in turn, consult with the CEO on the matter. A designated manager will discuss the matter with the employee who is perceived to be in conflict and, as appropriate, to hold further discussions with the reporting employee. If the discussions do not lead to a resolution, the matter is to be brought to the CEO and the CEO is to determine whether or not a conflict of interest exists.

The Code applies to all employees of TNS equally, regardless of position, title or responsibilities. The Code is designed to inform employees of TNS policies in various areas. All employees must read and fully understand the Code and must adhere to the Code of Conduct at all times. Any breach in the Code is a serious matter that may result in disciplinary action up to and including termination.

(vi) Post-Service Restrictions

Directors and officers of the Corporation and such other employees as designated by the CEO or Board must respect the following restrictions during the one-year period after their service with TNS ends:

(a) They may not accept appointment to a board of directors of, or employment with, private entities with which they (or their subordinates) had significant official dealings during the period of one year immediately prior to the termination of their service.

(b) They may not make representations on behalf of persons or entities outside of the Corporation to any government organization with which they (or their subordinates) had significant official dealings, during the period of one year immediately prior to the termination of their service.

(c) They may not give advice to their clients or employer using information that is not publicly available concerning the programs or policies of the Corporation. Directors can request a waiver of these post-service restrictions by application to the Board Chair and employees can request a waiver by application to the CEO.

B. Laws, Regulations, Standards and Policies

Directors and employees must do their part to ensure that the Corporation complies with all laws, regulations, standards and policies that are applicable to the Corporation.

Directors must also be satisfied that management has implemented appropriate processes and safeguards to ensure the Corporation complies with such requirements.

Finally, directors and employees must not engage in any criminal activity or conduct unbecoming of their role and duties to TNS. They are expected to comply with all relevant laws, regulations, policies and procedures.

C. Ethical Guidelines

(i) Preferential Treatment/Fair Dealing

Directors and employees must not act in their TNS roles to assist organizations or persons in their dealings with the Corporation if this may result in preferential treatment to that organization or person.

The purchase of goods and services is based on sound business criteria such as price, quality, quantity, delivery, service and duly approved purchasing preferences. Purchasing decisions will not be based on favouritism, prejudice, preferential treatment or personal gain.

(ii) Corporate Property

Directors or employees must not use corporate property or services to pursue their private interests or the interests of an associate or family member. Corporate property includes real and tangible items such as land, buildings, furniture, fixtures, equipment and vehicles, and intangible items such as data, computer systems, reports, information, corporate opportunities, proprietary rights, patents, trademarks, copyrights, logos, name and reputation.

(iii) The Internet, Email and Electronic and Social Media

When using any corporate electronic communication devices, communicating over corporate electronic networks or discussing corporate activities over social media, directors' and employees' communications and actions must be respectful, responsible and professional. Directors and employees must not knowingly transmit, view, generate, print, download or store any communication or material that is inappropriate to the business environment, is illegal or is likely to reflect negatively on the Corporation.

(iv) Safe and Healthy Workplace

Directors and employees are expected to conduct themselves in a manner that contributes to a safe and healthy workplace that is free from discrimination, harassment or violence. Directors and employees are expected to conduct themselves in a professional manner in fulfilling their TNS responsibilities.

(vi) Gifts, Benefits and Entertainment

Directors and employees must not solicit or accept benefits, entertainment or gifts in exchange for, or as a condition of the exercise or, their duties or as an inducement for performing an act associated with the director's or employee's duties or responsibilities with the Corporation.

Directors and employees will not accept gifts or provide gifts to other persons unless the gift:

- Is of a token nature and could not reasonably be interpreted as a bribe
- Is within accepted norms of business
- Is not in cash or negotiable instruments
- Does not contravene any laws, and
- Would not embarrass the Corporation if disclosed to the public.

An improper gift or benefit should be returned to the person offering it as soon as practicable. If there is no opportunity to return an improper gift or benefit, or where the return may be perceived as offensive for cultural or other reasons, the gift or the benefit must, as soon as practicable, be disclosed and turned over to the Corporation to make a suitable disposition of the item.

(vii) Public Comment

TNS has a Communications Policy that guides who can speak publicly on behalf of the Corporation. Unless that Policy states otherwise, the Board Chair should be the only spokesperson for the Board and the CEO should be the only spokesperson for the Corporation. Directors and employees should not offer any public comment unless specifically authorized to do so by the Board Chair, in the case of directors, or the CEO, in the case of employees.

(viii) Political Activities

Directors and employees are free to participate in political activities. However, any political activities must be clearly separated from activities related to the director or employee's position with TNS. In relation to the exercise of their duties and responsibilities, directors and employees must remain impartial and retain the perception of impartiality.

IV. Code of Conduct – Administration and Compliance Guidelines

Administrative processes help directors and employees manage ethical dilemmas, including any real or apparent conflict of interest concerns.

Administration

The Code Administrator receives and ensures the confidentiality of all disclosures and ensures that any real or apparent conflict of interest is avoided or effectively managed. As well, the Code Administrator is responsible for providing advice and managing concerns and complaints concerning potential breaches of the Code, including conflicts of interest within the Corporation. Even though TNS may have a delegated process for responding to and managing concerns/complaints, the Code Administrator is responsible for ensuring procedural fairness.

The Code Administrator monitors and reports annually to the Board regarding compliance with the Code. The Code Administrator is empowered to initiate an investigation of any alleged breach of the Code.

The Code Administrator for directors and the CEO is the Chair of the Governance Committee.

The Code Administrator for TNS employees other than the CEO is the CEO, who may also consult with the Chair of the Governance Committee for advice.

The Code Administrator for the Chair is the Vice-Chair and the Chair of the Governance Committee. The Code Administrator for the Chair of the Governance Committee is the Chair of the Board.

Self- Disclosure

It is the responsibility of each director and employee to declare in writing to the Code Administrator those private interests and relationships that they think could be seen to impact the decisions or actions they take on behalf of the Corporation. When there is a change in their responsibilities within the Corporation or in their personal circumstances, directors and employees shall disclose in writing any relevant new or additional information about those interests as soon as possible. Where a real or apparent conflict of interest cannot be avoided, directors and employees must take appropriate steps to manage the conflict. Those steps were outlined in the Conflict of Interest section earlier herein.

Reporting a Potential Breach of Another

Directors and employees have a duty to report to the Code Administrator, the Board Chair or the CEO, any activity which:

- They believe contravenes the law
- Represents a breach of this Code of Conduct
- Represents a misuse of Crown corporation funds or assets, or
- Represents a danger to public health, safety or the environment

Any reports of such wrongdoing will be treated in confidence unless disclosure of the information is authorized and permitted by law. Neither directors nor employees will be subject to reprisals for bringing forward, in good faith, any allegation of wrongdoing.

Responding to Potential Breach

Once a potential breach has been reported, the Corporation's procedures for responding to and managing a potential breach will be promptly initiated. The Code Administrator will review the circumstances and details of the potential breach and will notify the alleged director or employee. The alleged director or employee will be given complete information and the opportunity to respond fully to the potential breach. The identity of the reporter will not be disclosed unless required by law or in a legal proceeding. The Code Administrator may engage third parties for advice or investigation support during the processing of an alleged breach of the Code. For matters involving directors, the Code Administrator will present his/her findings to the Board together with a recommendation for an appropriate course of action. For matters involving employees, the CEO will handle the matter according to normal protocols for employee performance management.

Consequences of a Breach

In the event of a breach of this Code, or a failure to remedy or disclose a conflict of interest, the consequences should reflect the nature, magnitude and seriousness of the breach. Any breach of the Code is considered a serious matter that may result in disciplinary action up to and including termination. In addition, TNS may be required to report certain types of breaches to regulatory authorities, and directors and employees may then be subject to criminal or civil penalties.

V. Other Resources

Where to Get Advice

When directors and employees require advice and guidance in determining whether misconduct or a conflict exists, or need clarification, they may discuss their issue with:

- An employee supervisor, in the case of an employee
- The Code Administrator for directors or employees.

Questions to Consider

When directors and employees are faced with a difficult situation, the following questions may help them decide the right course of action:

- Have I considered whether I am compromising the letter, spirit or intent of the Code through my actions?
- Have I consulted with my supervisor or the Code Administrator to see if my behaviour is consistent with the Code?
- Could my private interests or relationships be viewed as impairing my objectivity?
- Could my decision or action be viewed as resulting in personal gain, financial or otherwise?
- Could my decisions or actions be perceived as granting or receiving preferential treatment?

VI. Annual Attestation

Annually, each director and employee shall review and affirm their commitment to and compliance with the TNS Code of Conduct by completing and submitting to the Corporation a written statement in the following form:

"I acknowledge that I have read and understand the TNS Code of Conduct and that I agree to conduct myself in accordance with the provisions of that Code."

Signature of director/employee

Date:

Signature of witness

Date:

Effective Date

This Code of Conduct for the Tourism Nova Scotia (TNS) Board of Directors and TNS employees is effective April 12, 2016. Revised policy subsequently approved Nov. 20, 2016.

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