



CODE OF CONDUCT AND CONFLICT OF INTEREST POLICY

I. Preamble

The Code of Conduct and Conflict of Interest Policy (Policy) for the Saskatchewan Cattlemen's Association (the SCA) applies to all directors, or non-directors that are asked to serve on any SCA committees. The Policy reflects a commitment to the SCA's values and provides a framework to guide ethical conduct in a way that upholds the integrity and reputation of the SCA. Directors are expected to behave in a way that aligns with this Policy and section 17 of *The Interpretation Act, 1995* S.S. c. I-11.2. They understand that this Policy does not cover every specific scenario. Therefore, they use the spirit and intent behind this Policy to guide their conduct, and exercise care and diligence in the course of their work with the SCA.

To demonstrate commitment to transparency and accountability, this Policy is available to the public on the SCA's website at www.saskbeef.com.

II. Definition of conflict of interest

A "conflict of interest" exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the SCA, or otherwise may be harmful or detrimental to the best interests of the SCA. Interests and activities that are NOT deemed to be a "conflict of interest" include activities related to the normal operations of a producer within the cattle industry.

A conflict situation can arise when:

- a) A director takes actions or has interests that may make it difficult to perform his or her work for or on behalf of the SCA objectively and effectively;
- b) A director or a member of his or her immediate family receives improper personal benefits as a result of his or her position in the SCA, whether received from the SCA or a third party. Family members include a spouse, child, stepchild, parent, sibling, niece, nephew, aunt, uncle, cousin, grandparent, grandchild, in-law or any person (other than a domestic employee);
- c) A director is a party to a material contract or proposed material contract with SCA; or
- d) A director is an officer or director of; or has a material interest in; or is an associate of any person who is a party to a material contract or proposed material contract with SCA.

An “associate” of a director means:

- a) A corporate body of which the director beneficially owns, directly or indirectly, more than 10% of any class of voting equity securities of the body corporate that are outstanding at that time;
- b) A partner, other than a limited partner, of that director;
- c) A trust or estate in which the director has a beneficial interest or serves as a trustee or in a capacity similar to a trustee; or
- d) Any other person who has the same residence as the director.

III. Apparent Conflict of Interest

For the purposes of these rules, a director has an apparent conflict of interest when there is a perception, which a reasonably well informed person could properly have, that the director’s ability to exercise an official power to perform an official duty or function must have been affected by his or her private interest.

- a) Insider information
A director shall not use information that is gained in the execution of his or her office and is not available to the general public to further or seek to further the director’s private interest.
- b) Procedure on Conflict of Interest
 - i. A director who has reasonable grounds to believe that he or she has a conflict of interest or an apparent conflict of interest in a matter that is before the Board shall:
 - If present at a meeting considering the matter, disclose the general nature of the conflict of interest or apparent conflict of interest; and withdraw from the meeting without voting or participating in the consideration of the matter; or
 - If not present at a meeting considering the matter, forthwith disclose in writing to the Board the general nature of the conflict of interest or apparent conflict of interest.
 - ii. The director who has declared a conflict of interest shall absent himself or herself during a discussion and vote in connection with the conflict declared and the matter shall be recorded in the minutes of the meeting. Such a Member shall be counted in the quorum for the meeting.
 - iii. Upon disclosure of a conflict of interest that cannot be readily resolved or managed or that requires further consideration, the Chair of the Board may request that the Committee on Governance consider the matter and determine what, if any, action should be taken by the director or by the Board.

IV. Core Values

SCA values the following:

- a) Being a respected and valued cattle producer association;

- b) Acting in a manner that demonstrates accountability, respect, integrity, impartiality and excellence in their business practices and relationships;
- c) Diligence, ethics and acting responsibly in all SCA matters; and
- d) Making strategic, operational and management decisions based on sound and prudent business principles and within the context of applicable legislation and regulations.

V. Guiding Principles

These principles guide the behaviour and decisions of directors:

- a) The actions and decisions of directors are made to promote the interests of Saskatchewan cattle producers and to advance the mandate and long-term interests of the SCA.
- b) As directors or associates are responsible stewards of the SCA levy they will not in their name, company or as a shareholder of said company request the SCA levy refund.
- c) To serve the interests of the Saskatchewan cattle producers, directors have a responsibility to uphold the SCA's mandate.
- d) Directors have a responsibility to act in good faith and to place the interests of the SCA above their own private interests.
- e) Directors behave in a way that demonstrates that their behaviour and actions are fair and reasonable in the circumstance.
- f) Directors ask questions about the Policy and how to align with the Policy's principles, by consulting the Governance Committee or an Executive member of the board.
- g) Directors enjoy the same rights in their private dealings as any other cattle producer, unless it is demonstrated that a restriction is necessary in the best interest of the SCA or the cattle industry.
- h) When a director, as an individual, is subject to more than one code of conduct, the director must consider the expectations in all. Directors understand that this Policy is not intended to conflict with other similar policies, and will discuss any potential conflicts with the Governance Committee or an Executive member of the board.
- i) The Policy applies to all directors unless a specific exemption is granted by the Board of directors.
- j) Directors understand how conflict of interest guidelines affect their actions and know what actions they must take when they become aware of an actual or potential conflict of interest.
- k) Directors know that when they become aware of a real or apparent conflict of interest, they must at the first opportunity disclose this conflict to the Governance

Committee or an Executive member of the board.

- l) Directors understand that disclosure itself does not remove a conflict of interest.
- m) Directors encourage their colleagues to act fairly and ethically and know that they are able to raise concerns about a suspected breach by another to the Governance Committee without fear of reprisal.
- n) Directors know that breaches of this Policy may result in disciplinary action, up to and including removal of the director from office.
- o) Directors know that if they have any questions about the Policy, or are not sure how to apply these principles, they should consult with the Governance Committee or an Executive member of the board.
- p) Each director confirms on an annual basis their understanding of, and commitment to, the Policy's expectations.

VI. Behavioural Standards

Behavioural standards help directors make appropriate decisions when the issues they face involve ethical considerations. Behavioural standards cannot cover all scenarios but provide guidance in support of day-to-day decisions. All directors must adhere to the following standards:

- a) Director must comply with *The Agri-Food Act*, *The Cattle Development Plan Regulations* and all Orders of the SCA and section 17 of *The Interpretation Act*.
- b) Director must not engage in any criminal activity and must comply with all relevant laws, regulations, policies and procedures.
- c) Directors must not use their status or position with the SCA to influence or gain a benefit or advantage for themselves, their families, their business associates or other with whom they have a significant personal or business relationship.
- d) Director conduct contributes to a safe and healthy organization that is free from discrimination, harassment or violence.
- e) Directors must not use drugs or alcohol in a way that affects their performance and safety or the performance and safety of their colleagues, or that negatively impacts the reputation or operations of the SCA.
- f) Directors must act in a way that is consistent with the SCA's protocols on public comment that may be developed and approved by the Board of directors from time to time.
- g) Directors must take reasonable steps to avoid situations where they may be placed in a real or apparent conflict between their private interests and the interests of the SCA. In other words, actions or decisions that directors take on behalf of the SCA must not provide them with an opportunity to further the private interests of themselves, their families, their business associates or

others with whom they have a significant personal or business relationship.

1. Confidential Information

Directors must respect and protect confidential information, use it only for the work of the SCA and do not use it for personal gain. Directors must comply with protocols that guide the collection, storage, use, transmission and disclosure of information that may be developed and approved by the Board of Directors from time to time.

2. Gifts and Gratuities

Directors and immediate family shall not accept a gift or personal benefit, except compensation authorized by law that is connected directly or indirectly with the performance of his or her duties of the board.

This does not apply to a gift or personal benefit that is received as an incident of the protocol or social obligations that normally accompany the responsibilities of the board or the normal presentation of gifts to people participating in public functions.

Where a gift of personal benefit referred to exceeds \$250.00 in value, or where the total value received directly or indirectly from one source in any 12 month period exceeds \$250.00 the director shall immediately disclose:

- a. The nature of the gift or personal benefit;
- b. Its source; and
- c. The circumstances under which it was given and accepted.

3. Outside Activities

Directors must avoid participating in outside activities that conflict with the interests and work of the SCA. For example:

- a. Business Interests: Directors must comply with the disclosure rules set out in section 17 of *The Interpretation Act*, a copy of which is attached to this Policy.
- b. Employment: Directors must not take employment that affects their performance or impartiality with the SCA.
- c. Political Activity: Directors may participate in political activities including directorship in a political party, supporting a candidate for elected office or seeking elected office. However, they must not participate directly in soliciting contributions for a political party. In addition, any political activity must be clearly separated from activities related to the work for the SCA, must not be done while carrying out the work of the SCA and must not make use of SCA facilities, equipment or resources in support of these activities.
- d. Volunteer Activity: If directors are involved in volunteer work, the activity must not influence or conflict with decisions relating to the SCA.

4. Pre-Separation

Directors considering a new offer of appointment or employment must be aware of and manage any potential conflicts of interest between their current position and their future circumstance, and must remove themselves from any decisions affecting their new appointment or employment.

5. Post-Separation

Once directors have left the SCA, they must not disclose confidential information that they became aware of during their time with the SCA and must not use their contacts with their former colleagues to gain an unfair advantage for their

current circumstance.

6. Property

Directors may have limited use of the SCA's premises and equipment during normal business hours for authorized incidental purposes providing such use involves minimal additional expense to the SCA, does not interfere with the operations of the SCA, does not interfere with the mission of the SCA and does not support a personal, private business.

7. Related Persons or Parties

Directors must avoid dealing with those in which the relationship between them might bring into question the impartiality of the director.

VII. Administrative Processes

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

a) Administration

The Governance Committee 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 Governance Committee is responsible for providing advice and managing concerns and complaints concerning potential breaches of the Policy, including conflicts of interest within the SCA. Even though the SCA may have a delegated process for responding to and managing concerns, the Governance Committee is responsible for ensuring procedural fairness.

b) Disclosure

It is the responsibility of each director to comply with the disclosure requirements in section 17 of *The Interpretation Act*.

Every director must provide in writing to the Governance Committee, prior to the first meeting of the Board following the date that such director was elected and thereafter within 45 days of January 1 of each calendar year a disclosure statement in the form prescribed by the Board.

The disclosure statement must contain:

1. The name of every company in which ten percent(10%) or more of the issued shares are held, directly or indirectly, by the director, the director's spouse or minor children, or any trustee or nominee on their behalf, together with a brief description of the business carried on by each such company;
2. The name of every non-corporate business enterprise from which, directly or indirectly, the director, the director's spouse or minor children receive income, together with a brief description of the business carried on by each such non-corporate business enterprise;
3. The name of every company or organization with respect to which the director is an officer, director, elected official or appointed official; and
4. All major financial lenders, together with a brief description of the nature of the business.

After filing a disclosure statement, a director must continue to disclose any material changes to the information recorded thereon by promptly filing with the Board a revised disclosure statement.

Directors disclose these real or apparent conflicts of interest so that the Governance Committee is aware of situations that could be seen as influencing the decisions or actions they are making on behalf of the SCA. This provides directors, following a review by the Governance Committee, an opportunity to take action to minimize or remove the conflict. To actively manage a conflict of interest, options include:

- Removing themselves from matters in which the conflict exists or is perceived to exist;
- Giving up the particular private interest causing the conflict; and
- In rare circumstances, resigning their position with the SCA.

c) Financial transactions where there is a conflict

Financial transactions with directors when a conflicting interest exists may be undertaken only if all of the following are observed:

- The conflicting interest is fully disclosed and dealt with in accordance with section 17 of *The Interpretation Act*;
- The director with the conflict of interest is excluded from the discussion and any vote approving the transaction;
- A competitive bid or comparable evaluation exists;
- The Board of Directors has determined that the transaction was reasonable and fair to the SCA at the time it was approved and was in the best interests of the SCA; and
- The minutes of the Board of Directors meeting approving the transaction shall contain the names of the directors who disclosed or were found to have a conflict of interest, the nature of the conflict of interest and details evidencing compliance with this Policy and section 17 of *The Interpretation Act*.

d) Reporting a Potential Breach by Another

Directors are encouraged to report in writing a potential breach of this Policy by another to the Governance Committee. When reporting a potential breach in good faith and with reasonable grounds, directors are protected from retaliation for such reporting.

e) Responding to Potential Breach

Once a potential breach has been reported, the SCA's procedures for responding to and managing a potential breach will be promptly initiated. The Governance Committee will review the circumstance and details of the potential breach and will notify the alleged director. The alleged director has the right to complete

information and the right 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 Governance Committee makes a decision and completes a report in a timely manner. The decision may range from finding no potential breach to one that reveals suspected criminal conduct.

f) Consequences of a Breach

Directors who do not comply with the standards of behaviour identified in this Policy, including taking part in a decision or action that furthers their private interests, may be subject to disciplinary action up to and including removal of the director from office.

g) Review of a Decision

A director can request in writing that the Board of Directors review the decision made by the Governance Committee that they have breached the SCA's Code of Conduct and Conflict of Interest Policy.

VIII. Other Resources

a) Where to Get Advice

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

- The Governance Committee;
- SCA Legal Counsel; or
- Agri-Food Council.

b) Questions to Consider

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

- Have I reflected on or consulted with the Governance Committee about whether I am compromising the Policy's values, principles or behavioural standards?
- Have I considered the issue from a legal perspective?
- Have I investigated whether my behaviour aligns with a policy or procedure of the SCA?
- 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?

IX. Affirmation

The Code of Conduct and Conflict of Interest Policy for the Saskatchewan Cattlemen's Association is to be reviewed and reaffirmed annually by the Board at the first meeting after the newly elected directors take office to ensure it remains current and relevant.

Conflict of interests

17(1) In this section, “**associate**”, when used to indicate a relationship with any person, means:

- (a) a body corporate of which that person beneficially owns, directly or indirectly, more than 10% of any class of voting equity securities of the body corporate that is outstanding at that time;
- (b) a partner, other than a limited partner, of that person;
- (c) a trust or estate in which that person has a beneficial interest or serves as a trustee or in a capacity similar to a trustee; or
- (d) any other person who has the same residence as that person.

(2) An officer or a director of a corporation shall disclose in writing to the corporation, or request to have entered in the minutes of meetings of directors, the nature and extent of his or her interest or his or her associate’s interest where the officer or director:

- (a) is a party to a material contract or proposed material contract with the corporation; or
- (b) is an officer or director of or has a material interest in or is an associate of any person who is a party to a material contract or proposed material contract with the corporation.

(3) A director shall make the disclosure required by subsection (2):

- (a) at the meeting at which a proposed material contract is first considered;
- (b) if the director or the director’s associate was not then interested in a proposed material contract, at the first meeting after the director or the associate becomes interested;
- (c) if the director or the director’s associate becomes interested after a material contract is made, at the first meeting after the director or the associate becomes interested; or
- (d) if a person who is interested in a material contract or whose associate is interested in a material contract later becomes a director, at the first meeting after he or she becomes a director.

(4) An officer who is not a director shall make the disclosure required by subsection (2):

- (a) immediately after he or she becomes aware that a material contract or proposed material contract is to be considered or has been considered at a meeting of directors;
- (b) if the officer or the officer’s associate becomes interested after a material

contract is made, immediately after the officer or the associate becomes interested; or

(c) if a person who is interested in a material contract or whose associate is interested in a material contract later becomes an officer, immediately after he or she becomes an officer.

(5) If a material contract or proposed material contract is one that, in the ordinary course of the corporation's business, would not require approval by the directors, an officer or director shall disclose in writing to the corporation, or request to have entered in the minutes of meetings of directors, the nature and extent of his or her interest or his or her associate's interest immediately after the officer or director becomes aware of the contract or proposed contract.

(6) No director mentioned in subsection (2) shall vote on any resolution to approve a material contract unless the contract is:

(a) a contract relating primarily to his or her remuneration as a director of the corporation; or

(b) a contract for indemnity or insurance pursuant to subsection 16(9), (11), (12) or (13).

(7) For the purposes of this section, a general notice to the directors by an officer or director, declaring that he or she or any of his or her associates is an officer or director of or has a material interest in a person and is to be regarded as interested in any contract made with that person, is a sufficient declaration of interest in relation to any contract made with that person.

(8) A material contract between a corporation and one or more of its officers or directors, or between a corporation and another person of which an officer or director of the corporation is an officer or director or in which he or she has a material interest or which is an associate of an officer or director, is neither void nor voidable by reason only of that relationship or by reason only that a director with an interest in the contract or whose associate has an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of directors or committee of directors that authorized the contract, if:

(a) the officer or director disclosed his or her interest in accordance with subsection (3), (4), (5) or (7), as the case may be;

(b) the contract was approved by the directors; and

(c) the contract was reasonable and fair to the corporation at the time it was approved.

(9) Where an officer or director of a corporation fails to disclose his or her interest in a material contract in accordance with this section, a court of competent jurisdiction may, on the application of the corporation, set aside the contract on those terms that the court considers appropriate.

(10) Nothing in this section relieves a member of the Legislative Assembly from

complying with *The Members' Conflict of Interest Act, 1993*.

The undersigned acknowledges and affirms that:

- a. I have received a copy of the Code of Conduct and Conflict of Interest Policy;**
- b. I have read and understand the Policy; and**
- c. I agree to comply with the Policy.**

Director Signature _____ Date _____

Printed Name _____