



POLICY

Code of Business Conduct and Whistleblower Procedure	<u>Policy Owner:</u> Executive Vice President & Chief Human Resources and Safety Officer
	<u>Policy Approver:</u> Board of Directors, Toronto Hydro Corporation
	<u>Version Approval Date:</u> V. 8.0 2022-08-24
	<u>Last Review by PASC:</u> V. 8.0 2022-07-20
The most recent version of this policy can be obtained from http://pluggedin.torontohydro.com/Policy/Pages/default.aspx	
The distribution of this policy is not restricted.	

APPROVED BY

SIGNATURE

DATE

David McFadden

Chair
Toronto Hydro Corporation
Board of Directors

August 31, 2022

Anthony Haines

President and Chief Executive Officer
Toronto Hydro Corporation

August 31, 2022

TABLE OF CONTENTS

1	DOCUMENT REVIEW AND REVISION HISTORY	2
2	DISTRIBUTION HISTORY	2
3	INTRODUCTION	3
4	POLICY OVERVIEW	4
5	COMMITMENT TO SOCIETY	5
6	COMMITMENT TO STAKEHOLDERS	6
7	POLICY OWNERSHIP, ADMINISTRATION, APPROVAL, AND RESPONSIBILITIES	12
8	COMPLIANCE, DISCIPLINE, REPRISAL, AND WHISTLEBLOWER PROCEDURE	13
9	POLICY COMMUNICATION	15
10	RELATED LAWS, REGULATIONS, AND DOCUMENTATION	15

1 DOCUMENT REVIEW AND REVISION HISTORY

This policy is reviewed every three years.

Version Number	Date of Review	Reviewed By	Brief Description of Change
V 4.0	2014-04-28	PASC, CEO	Minor administrative changes; added references to social media.
V 4.0	2014-05-15	Board of Directors	N/A
V 4.2	2014-11-03	PASC	Minor administrative changes; added new Ethics Officer email address for reporting purposes.
V 4.3	2015-05-12	Board of Directors	N/A
V 5.0	2016-04-07	PASC	Added reference to Expense Reimbursement Policy; added language to establish privilege; broadened scope of TH image and reputation.
V 5.0	2016-05-11	Board of Directors	Approved by Board of Directors.
V 6.0	2017-04-11	PASC	Minor clarifications.
V 6.0	2017-05-11	Board of Directors	Approved by Board of Directors
V 7.0	2019-07-18	PASC	Minor changes
V 7.0	2019-11-20	Board of Directors	Approved by Board of Directors
V. 8.0	2022-07-20	PASC	Added procedure if a complaint is directed against policy owner.
V. 8.0	2022-08-24	Board of Directors	Approved by Board of Directors

2 DISTRIBUTION HISTORY

Version Number	Date of Issue	Recipients
V 4.0	TBD	Toronto Hydro external website, and intranet site (http://pluggedin.torontohydro.com/policy/Pages/GovernancePolicies.aspx)

V 4.2	2014-11-03	Toronto Hydro external website, and intranet site (http://pluggedin.torontohydro.com/policy/Pages/GovernancePolicies.aspx)
V 4.3	2015-05-12	Toronto Hydro external website, and intranet site (http://pluggedin.torontohydro.com/policy/Pages/GovernancePolicies.aspx)
V 5.0	2016-05-11	Toronto Hydro external website, and intranet site (http://pluggedin.torontohydro.com/policy/Pages/GovernancePolicies.aspx)
V 6.0	2017-05-11	Toronto Hydro external website, and intranet site (https://pluggedin.torontohydro.com/Policy/Pages/default.aspx)
V 7.0	2019-11-20	Toronto Hydro external website, and intranet site (https://pluggedin.torontohydro.com/Policy/Pages/default.aspx)
V. 8.0	2022-09	Toronto Hydro external website, and intranet site (https://pluggedin.torontohydro.com/Policy/Pages/default.aspx)

3 INTRODUCTION

As a reputable utility organization delivering electricity distribution and energy services to the City of Toronto, Toronto Hydro always strives to be a responsible business enterprise and corporate citizen, with strong and shared commitments to our stakeholders. We work to achieve the following strategic pillars:

- **Customer:** provide value for money.
- **People:** fully-engaged, safe and healthy workforce that meets the changing business requirements.
- **Environment:** remain a sustainable company, reduce our environmental footprint, and enable our customers to be part of the shift to a sustainable economy.
- **Operations:** improve reliability through optimal and sustainable system management.
- **Financial:** meet the financial objectives of our shareholder.
-

This requires us to execute our duties with the highest standards of integrity and professionalism at all times. This Code of Business Conduct sets out the basic principles on how Toronto Hydro and Toronto Hydro’s employees should conduct business activities to reach our business goals and fulfill commitments to our stakeholders.

4 DEFINITIONS

TERM	DEFINITION
Board or Board of Directors	Board of Directors of Toronto Hydro Corporation
Code	This Code of Business Conduct and Whistleblower Procedure
Ethics Officer	Executive Vice-President & Chief Human Resources and Safety Officer
Toronto Hydro or Company	Toronto Hydro Corporation and its subsidiaries.

5 POLICY OVERVIEW

This Code of Business Conduct (the “Code”) sets forth the basic principles of business conduct that Toronto Hydro expects its employees, officers, and directors to follow.

It is expected that we will at all times exercise honesty and integrity in our duties, and live up to our commitments to society and to our stakeholders. Our stakeholders include: our customers and other business partners, our employees, the communities in which we operate, and our shareholder -the City of Toronto.

This Code outlines general principles of appropriate business conduct rather than attempting to cover every situation which we may possibly encounter. It is not a substitute for the use of sound judgment and moral integrity in assessing such situations, and it does not supersede existing or subsequent Toronto Hydro policies issued in respect of specific matters. A failure by us to comply with the principles of appropriate business conduct set forth in this Code could result in damage to Toronto Hydro’s economic well-being or to its reputation and credibility with its stakeholders. The Code is designed to alert Toronto Hydro employees, officers, directors, consultants and suppliers of goods and services to major legal and ethical issues that frequently arise. It also serves to establish appropriate channels for obtaining guidance and reporting Code violations.

The Executive Vice-President & Chief Human Resources and Safety Officer has been appointed to serve as Toronto Hydro’s Ethics Officer.

All consultants and suppliers of goods and services are to be made aware of the content of this Code and to comply with it as applicable. Each consultant and supplier of goods and services shall either be provided with a copy of the Code or referred to the dedicated page on Toronto Hydro’s website (www.torontohydro.com) each time an agreement to provide goods or services is executed with them or upon any change to the Code.

Ethical Decision Making

One of the primary goals of this Code is to help all of us make ethical business decisions. The Code establishes principles to govern conduct in some general areas that pose ethical or legal concerns. No book of hard-and-fast rules, however long and detailed, could ever adequately cover all the dilemmas we face given the complexity and constantly changing nature of our work and our world.

Therefore, we may find it helpful to ask the following questions before taking action in specific situations:

- Am I adhering to both the letter and spirit of the laws and regulations that may be involved?
- Is my action consistent with the overall values set forth in the Code?
- Would my action compromise my integrity or credibility, or that of Toronto Hydro?
- Does my action conform to Toronto Hydro’s policies?
- How would my actions appear to my leaders, peers, subordinates, family, close personal friends, or to the public if reported in the news or on social media?
- Does it make me feel uncomfortable?

Ultimately, employees are personally responsible for their decisions and should discuss ethical concerns, issues and questions with their supervisor or other contacts referred to under the "Compliance, Discipline and Reprisal" section, below.

6 COMMITMENT TO SOCIETY

We believe that we have responsibilities to society, because ultimately it is only with its implicit permission that the economy in which we participate is allowed to flourish. We therefore make the following commitments to society.

Obey the Law

- 5.1 We are expected to act in accordance with both the letter and the spirit of all laws and regulations applicable to the conduct of our business wherever we operate. To achieve this, Toronto Hydro provides us with the training required to obtain an understanding of the laws which apply to the carrying out of our responsibilities. With this training, we are expected to be sufficiently familiar, and act in accordance, with any laws that apply to our work, to recognize potential liabilities, and to know when to seek legal advice. If in doubt, we promptly seek clarification from Toronto Hydro's General Counsel.
- 5.2 We never commit or condone an illegal or improper act relating to Toronto Hydro's affairs, or instruct another employee, business partner, or supplier of goods and services to do so, and we take reasonable action to prevent and avoid potential violations of this Code by others.
- 5.3 We acknowledge the importance to Toronto Hydro of complying with the Affiliate Relationships Code. We comply with, and require that all parties who provide services on behalf of Toronto Hydro comply with, the Affiliate Relationships Code.
- 5.4 We do not offer or make any payment (in money, property, services, or any other form), directly or indirectly through an agent or consultant, to any government official, political party, political party official, or candidate for political office, or to anyone else on the direction of any such person, for the purpose of persuading that person to exert influence in order to assist Toronto Hydro in obtaining or retaining business. We take measures reasonably within our power to ensure that any payment made to an agent is appropriate remuneration for legitimate services rendered and that no part is passed on by the agent as a bribe. We implement and maintain proper systems of control to prevent and detect the payment of bribes.
- 5.5 We never request any payment (in money, property, services, or any other form) directly or indirectly, to influence a decision or otherwise, nor do we accept any offered payment for any purpose other than as permitted in strict compliance with this Code.
- 5.6 We avoid all actions that are not in compliance with laws that govern competitive practices in the marketplace.
- 5.7 We do not engage in, or give the appearance of being engaged in, any illegal or improper conduct that is in violation of this Code.
- 5.8 We cooperate with any appropriate governmental investigation "to the extent required by law" and any internal investigation and do not provide false or misleading information to an investigator.

Confidentiality

- 5.9 We do not use for personal advantage any information that is received in the course of employment or through our relationship with Toronto Hydro and is not available to the public at large.

Examples of such information include:

- (a) Information concerning a proposed or existing business transaction with Toronto Hydro (e.g., a contract to purchase new transformers);
- (b) The proposed acquisition or disposal of investments or other assets; and
- (c) The pending award or change of contract for the supply of materials, goods or services to Toronto Hydro.

5.10 We do not inform anyone other than our immediate leader of any material fact or change relating to Toronto Hydro before it has been generally disclosed by Toronto Hydro in accordance with its Disclosure Policy, except as may be required in the necessary course of business. If it is necessary to inform any persons of such information in the ordinary course of business, we ensure that the recipients of the information understand that it must be kept confidential. Where such recipients are from outside of Toronto Hydro, we request, where appropriate, that they confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

5.11 We do not access or disclose personal information of employees, suppliers and customers except for legitimate business purposes, with proper approval and in compliance with applicable laws and Toronto Hydro policies. We will comply at all times with the privacy policies approved by Toronto Hydro (see Toronto Hydro website www.torontohydro.com).

7 COMMITMENT TO STAKEHOLDERS

Maintaining the trust and confidence of our stakeholders is crucial to Toronto Hydro's economic well-being and to its reputation and credibility with its stakeholders. If such trust and confidence is lost, we will lose their support and the valuable contribution which each makes to Toronto Hydro's success. It is in recognition of this that we make the following commitments to our stakeholders.

TO ALL OF OUR STAKEHOLDERS

We are committed to protecting their interest in Toronto Hydro's economic well-being.

We acknowledge that all stakeholders have an interest in Toronto Hydro's economic well-being to provide employment opportunities, purchase goods and services, contribute to economic partnerships, contribute to the quality of life in communities where we operate, and to enhance the value of our shareholder's investment. To protect these interests, we will act in accordance with the following standards:

6.1 Protect Toronto Hydro's Assets

Each of us has a responsibility to safeguard Toronto Hydro's assets.

6.1.1 *With respect to corporate funds, we will:*

- (a) Ensure that all expenses incurred, claimed, submitted, or approved are in accordance with the requirements set out in Toronto Hydro's Expense Reimbursement Policy.
- (b) Exercise integrity, prudence, and judgment in incurring and approving business expenses.
- (c) Ensure that business expenses are reasonable and serve Toronto Hydro's business interests.
- (d) Ensure that all transactions and expenses are properly authorized.
- (e) Record all transactions and expenses accurately, completely, and promptly.
- (f) Ensure that the collection, receipt, use, expenditure or movement of funds is properly recorded and complies with authorization protocols, and funds are secure

while held and not diverted for any use other use than that for which they were approved.

- (g) Not conceal any fund or transaction from finance, management, or Toronto Hydro's auditors.
- (h) Not enter into any transaction for the purpose of unlawfully evading any tax, duty, or other levy imposed by a government, either for ourselves or for our counterparties.

6.1.2 With respect to physical assets (including corporate property involved in carrying out duties), we will:

- (a) Use these assets prudently and with due care.
- (b) Comply with all security protocols and exercise reasonable safeguards to protect them against unauthorized access or use, theft, damage, loss, and waste.
- (c) Ensure that the acquisition, use, disposal, or movement of assets is clearly recorded, and not diverted for any other use than that for which they were approved.
- (d) Not take, sell, loan, destroy, or give away assets without proper authorization.

6.1.3 With respect to intellectual capital, we will:

- (a) Treat any information that has not been publicly disclosed in accordance with Toronto Hydro's Disclosure Policy as confidential.
- (b) Take precautions to avoid inadvertent disclosure, for instance, by not discussing such information wherever there is a risk of disclosure to the public (e.g., workplace elevators and lobbies, restaurants, etc.); by not creating, transmitting, or storing such information using third-party applications or software not owned by or licensed to Toronto Hydro for business purposes (e.g., iMessage, Facebook Messenger, WhatsApp, Gmail, iCloud, Dropbox, Google Drive, etc.); and using extra care in transmitting such information by fax, phone, electronic mail or other means.
- (c) Enter into confidentiality agreements as necessary to ensure those outside Toronto Hydro to whom we must disclose such information will not disclose it to others.
- (d) Not release information to the media or on social media without proper authorization.
- (e) Use only properly licensed software.
- (f) Not reproduce, distribute, or alter materials such as computer software or audio or video recordings or images without the permission of the copyright owner or authorized agent, but instead obtain additional copies of needed materials by purchasing them through the appropriate channels.
- (g) Employ ethical means in conducting research by being honest in obtaining, interpreting, using, and disclosing data. We will not disguise our identity or use the identity of another person when communicating or accessing Toronto Hydro resources.
- (h) Use Toronto Hydro intellectual property – brand names, logos, trademarks – only in an authorized manner and in accordance with all laws.
- (i) Comply with all internal policies, procedures, and guidelines relating to internal information technology systems, including the "Toronto Hydro Technology Use Guidelines," the "Cyber Security Policy" and the "Social Media and Digital Communication Policy". We acknowledge that Toronto Hydro reserves the broadest possible rights to ensure that its information technology systems and equipment, including computers, electronic mail, voice mail, the intranet and internet, and electronically created or stored data are used in compliance with internal policies, procedures, and guidelines.

- (j) Exercise reasonable safeguards to protect Toronto Hydro information from unauthorized access when using home or public wireless networks, protect any such information stored on portable devices, restrict access to any portable devices containing Toronto Hydro information, periodically back them up and wipe their memory before disposition.

6.1.4 With respect to business records and reports, we will:

- (a) Honestly and accurately record, report and retain information (including all business records, financial reports, research reports, marketing information, sales reports, tax refunds, time sheets, claims, and other documents including those submitted to governmental agencies), since business records may become subject to public disclosure in the course of litigation or governmental investigations, and records are also often obtained by outside parties or the media (except where those records have properly been deemed privileged and confidential, as further discussed in Section 8 of this Code, or are subject to other disclosure exceptions at law).
- (b) Ensure that all records and accounts accurately and truthfully reflect transactions and events, and conform both to generally accepted accounting principles and to the Toronto Hydro system of internal controls.
- (c) Not make any entry in any record that intentionally hides or disguises the true nature of any transaction.
- (d) Never withhold or fail to communicate information that should be brought to the attention of higher levels of management.
- (e) Attempt to be as clear, concise, truthful, and accurate as possible when recording any information and avoid exaggeration, inappropriate language, guesswork, legal conclusions, and derogatory characterizations of people and their motives.
- (f) Not destroy or condone the destruction of records, except in accordance with internal document management, retention, and disposition policies.
- (g) Not create, transmit, or store business records using third-party applications or software not owned by or licensed to Toronto Hydro for business purposes (e.g., iMessage, Facebook Messenger, WhatsApp, Gmail, iCloud, Dropbox, Google Drive, etc.)

6.1.5 With respect to Toronto Hydro's image and reputation:

- (a) When presenting ourselves on behalf of Toronto Hydro or engaging in activities either at or outside of the workplace, regardless of whether it is during personal time or Company paid time, we must not conduct ourselves or use social networking tools and platforms in any way that would negatively impact Toronto Hydro or its image and reputation, and must comply with any relevant Toronto Hydro policies, procedures, and standards.
- (b) Ensure that our communication via social networks and digital media complies with the directions laid out in Toronto Hydro's "Social Media and Digital Communication Policy".

6.2 Avoid Conflicts of Interest

A "conflict of interest" occurs when our direct or indirect personal interests, activities, or relationships could compromise, or could reasonably appear to compromise, our ability to perform our responsibilities objectively and in the best interests of Toronto Hydro. Conflicts include any activity (even when it is unpaid), interest, or association that might compromise, or appear to compromise the independent exercise of our judgment in the best interests of Toronto Hydro.

Conflicts of interest, no matter how innocent the intention, threaten Toronto Hydro's economic interests (including its reputation), by potentially leading us to make decisions based on personal interests rather than in the best interests of Toronto Hydro. Even if we do not allow our personal interests to influence our decisions, the existence of the conflict will jeopardize the trust of our stakeholders if they perceive that we may not be acting solely with Toronto Hydro's best interests in mind. We must therefore exercise common sense, sound judgment and moral integrity to avoid any conflict of interest.

We are to seek guidance from our leaders, or otherwise in accordance with this Code, when any situation arises that might constitute a conflict of interest between our personal interest and the interests of Toronto Hydro.

To avoid the appearance of a conflict of interest, any request by a director or senior representative of our shareholder related to the material use or handling of Toronto Hydro assets or resources, or requesting actions to be taken by an officer or employee of Toronto Hydro other than those actions directed by the individual(s) to whom that officer or employee directly or indirectly reports, shall be reviewed by Toronto Hydro Corporation's Corporate Governance and Nominating Committee. If an officer or employee of Toronto Hydro receives such a request from a director, such request shall be referred to the Chair of Toronto Hydro's Corporate Governance and Nominating Committee for a review by that committee prior to such action being taken.

Our responsibility to avoid conflicts of interest means that we must always act in the best interests of Toronto Hydro.

6.2.1 *With respect to outside interests, we will not (without management or Board approval):*

- (a) Operate, serve as directors, officers, or partners of, or perform work or services as employees, consultants or advisors for, any competitor or any actual or potential "business partner" (including suppliers and customers) or any other entity that could lead to a conflict of interest or situation prejudicial to Toronto Hydro's interests (including any situation where our performance of duties for Toronto Hydro is adversely affected), and in the case of executive officers and directors shall not do so for one year following termination of service with Toronto Hydro.
- (b) In the case of officers, employ or engage another family member within the officer's functional area or reporting relationship and while a director serves on the Board and for one year afterwards, employ or engage the director or a family member of the director.
- (c) Use Toronto Hydro time or resources (including equipment, tools, materials, supplies, facilities, personnel, or information) to run our own business or engage in work for another organization, or to further the private business interests of our family members, close personal friends, or associates.
- (d) Take part in a Toronto Hydro corporate decision which might confer any benefit, monetary or otherwise, on a business partner or competitor of Toronto Hydro in which we, our family members, close personal friends or associates hold a direct or indirect business or ownership interest. For example, we will not award a contract to, or obtain goods or services from, an entity in which we or such family members, friends or associates have a private interest, except where the interest is solely in the form of insignificant stock interests held in public companies.
- (e) Take part in any voluntary activity or outside employment or business, including as a supplier to Toronto Hydro or its shareholder that creates the appearance of a perceived or an actual conflict of interest.
- (f) Supervise someone with whom we have or had a romantic relationship.
- (g) Employ or engage a firm which provides professional services to Toronto Hydro where a director or a family member is a partner, controlling shareholder or an employee.

- (h) While performing duties as a Toronto Hydro representative, solicit customers or suppliers for any outside employment. We will not recommend or refer customers to businesses, including those businesses operated by ourselves or other Toronto Hydro employees. To the extent a customer raises an inquiry or request relating to “off-duty” services, we will not engage in or entertain such discussion or provide such services except as otherwise permitted in accordance with Toronto Hydro policy.
- (i) We do not put pressure on employees, directors, customers or suppliers or their representatives to support business, political or charitable causes.

6.2.2 With respect to property transactions, we will not:

- (a) Use our position at Toronto Hydro to influence any corporate decision involving real estate or personal property in which we, our family members, close personal friends or associates have a direct or indirect business or ownership interest. For example, we will not participate in a decision concerning the location of a Toronto Hydro facility that would directly or indirectly benefit lands owned by any such individuals.
- (b) Deal knowingly in real estate for the direct or indirect personal gain of ourselves, family members, close personal friends or associates, based on knowledge of any proposed or pending Toronto Hydro transaction such as the proposed location of a transmission line or other facility.
- (c) Influence the settlement of a claim against Toronto Hydro to the advantage of a private interest held by us, our family members, close personal friends or associates.

6.2.3 With respect to political activity, we acknowledge that:

Each of us has the right to participate in the political process and to engage in political activities of our own choosing. However, while involved in such political activities, we must at all times make clear that any views and actions are our own, and not those of Toronto Hydro. As in other activities, we must consider whether our political activity could violate Toronto Hydro policy, adversely affect our performance of duties for Toronto Hydro, or conflict with Toronto Hydro's responsibilities and, if so, avoid those activities. To determine if the political activity may create a potential conflict, we may contact the Ethics Officer, who will review the case and inform us of any action considered necessary to avoid the conflict.

6.2.4 With respect to gifts, gratuities, entertainment, or benefits offered to us, our family members, close personal friends or associates (or to a third party receiving benefits for us or them) for less than full market value, we will conduct ourselves as follows:

We will only accept gifts, entertainment, and benefits in the normal exchanges common to business relationships. The following criteria will guide our judgment:

- (a) The gift, entertainment, or benefit is not in the form of cash and would be considered to be within the bounds of propriety taking into account all the circumstances of the occasion;
- (b) It does not, nor is it expected to create a sense of obligation;
- (c) It would not appear to improperly influence a business decision or result in compromising objectivity;
- (d) It occurs infrequently;
- (e) It would be valid for reimbursement on a Toronto Hydro expense statement if offered rather than received; and
- (f) Gifts, entertainment and benefits provided to family and friends will be treated in the same manner.

We will return inappropriate gifts or other benefits to the donor, accompanied by an explanation of Toronto Hydro's policy on this matter, or, if considered appropriate, a copy of this Code. Perishable gifts can instead be donated to a charity and the donor notified. We will promptly advise our Ethics Officer of the circumstances of an inappropriate gift.

In some business settings, the return of a gift or refusal of a favour, benefit, or entertainment would be offensive; in these cases, we should refer the circumstances to the Ethics Officer for guidance.

Full and immediate disclosure in accordance with this Code of borderline cases will always be taken as good faith compliance with this Code.

Each Toronto Hydro employee will, upon commencement of employment and every three years thereafter, be required to (a) review and receive training on this Code, and (b) sign an attestation stating that they are not involved in any conflict of interest or potential conflict of interest with Toronto Hydro as per section 6.2 of the Code.

6.3 TO OUR CUSTOMERS AND OTHER BUSINESS PARTNERS

We are committed to being fair and honest.

6.3.1 To fulfill this commitment, we:

- (a) Treat our business partners courteously, respectfully, and in a professional and helpful manner.
- (b) Commit only to what we honestly believe we can deliver.
- (c) Honour the commitments we make.
- (d) Protect any information shared with us on a confidential basis by a business partner.
- (e) Do not release customer information to any third party without proper authorization from the customer or Toronto Hydro management.
- (f) Do not attempt to improperly influence the decisions of existing or potential business partners or attempt to secure preferential treatment for Toronto Hydro by offering gifts, entertainment, or benefits which we ourselves would not be able to accept.
- (g) Do not use our position at Toronto Hydro to obtain personal favours or special consideration for ourselves, our family members, close personal friends or associates.
- (h) Select our suppliers objectively, based on fairness and the long-term best interests of Toronto Hydro.
- (i) Conduct business only with reputable persons whose conduct aligns with this Code.

6.4 TO OUR EMPLOYEES

We are committed to workplace safety and treating all employees with dignity and respect.

- 6.4.1 We share responsibility for creating a safe and healthy work environment and preventing unsafe conditions and injuries. We are expected to come to work fit for duty, work safely and identify, report and, where appropriate, correct, safety hazards.
- 6.4.2 We foster a work environment where employees have opportunities for professional development, are treated with dignity and respect, and are recognized for their contributions to Toronto Hydro and its customers. We do not tolerate discrimination or any form of harassment, including sexual harassment, or violence. We do not tolerate any form of compulsory labour or child labour.

6.5 TO THE COMMUNITIES WHERE WE OPERATE

We are committed to protecting the environment and enhancing quality of life.

To fulfill this commitment, we will act in accordance with the following standards:

6.5.1 *Protect the Environment*

We acknowledge that environmental protection is one of Toronto Hydro's fundamental values and to demonstrate such value, we will:

- (a) Ensure that we understand the environmental impact of our activities and treat it as an integral factor in all of our decisions.
- (b) Conduct our operations in a manner that protects the safety of the community.
- (b) Recycle materials and strive to conserve resources to the extent possible consistent with sound business operations.
- (c) Report immediately any environmental mishaps.
- (c) Be open about and accountable for our environmental performance.
- (d) Strive to find business partners who conduct their business in an environmentally responsible manner.

6.5.2 *Enhance the Quality of Life*

We believe that a fundamental responsibility is to conduct our business on a sound commercial basis in a socially responsible manner. This is, we believe, the greatest contribution we can make to the communities where we operate. We also believe that we have a responsibility to contribute to the well-being of these communities in other ways. While this commitment will take different forms in different communities, we will:

- (a) Support health, education, and environmental initiatives.
- (b) Support and work with voluntary and charitable organizations that respond to community needs.
- (c) Get involved in and work with the community to assist in solving community problems.
- (d) Encourage our employees to contribute to their communities through involvement with community service and charitable and professional organizations. However, employees must consider whether their activities could pose a conflict of interest or adversely affect their performance of duties for Toronto Hydro, and should only use Toronto Hydro time or resources for such activities with the prior approval of management.
- (e) Encourage, support, and seek partnerships with organizations that need our help, whether they be schools or social service organizations.
- (f) Involve local communities in decision making for issues that affect them.

6.6 TO OUR SHAREHOLDER

We are committed to enhancing value for our shareholder, the City of Toronto.

All of our ethical commitments are directed at protecting Toronto Hydro's well-being. Through these commitments, we will seek to enhance the value of our shareholder's investment.

7 POLICY OWNERSHIP, ADMINISTRATION, APPROVAL, AND RESPONSIBILITIES

7.1 This policy is owned by the Executive Vice-President & Chief Human Resources and Safety Officer.

7.2 The Executive Vice-President & Chief Human Resources and Safety Officer is responsible for:

- (a) Ensuring that this policy is comprehensive, clear, and current.
- (b) Ensuring that this policy is implemented and communicated to the departments and staff that are impacted.
- (c) Ensuring ongoing compliance with this policy.
- (d) Approving any exceptions to this policy, as required.
- (e) Reviewing this policy as often as necessary, but at least once every three years.
- (f) Modifying, amending, or rescinding this policy at any time.

7.3 This policy is approved by the Board of Directors of Toronto Hydro Corporation.

8 COMPLIANCE, DISCIPLINE, REPRISAL, AND WHISTLEBLOWER PROCEDURE

8.1 All Toronto Hydro employees, officers, and directors must adhere to and actively support the principles and standards described in this Code, and adhere to the standards set out in applicable policies, guidelines, and legislation. Leaders are expected to promote knowledge of and compliance with this Code.

8.2 Violations of the Code will not be tolerated. Any employee who fails to comply with the Code, refuses to participate or cooperate in an investigation into a potential Code violation (or who withholds information during the course of an investigation regarding a possible violation of the Code), is subject to disciplinary action up to and including termination of employment for just cause. Depending on the nature of the non-compliance, Toronto Hydro may have a legal obligation to report the non-compliance to the appropriate authorities, which may lead to criminal prosecution or civil action.

8.3 Any situation or transaction that may violate, or could appear to violate the letter or intent of the Code, or which involves questionable auditing or accounting matters, involves a threat to the health and safety of employees, or the general public or any actual, potential or suspected violation of law should be reported.

8.4 Reports should be made immediately to your leader, or if this is uncomfortable or seems inappropriate, must be reported immediately to the next level of your management; or if preferred, to Toronto Hydro's Ethics Officer. If the report relates to an executive officer and you are uncomfortable submitting it to Toronto Hydro's Ethics Officer or the report involves the Ethics Officer, you may submit your report in a sealed envelope addressed to the Chair of the Human Resources and Environment Committee of the Board, c/o the Ethics Officer at the address below and marked "confidential." Such reports will be delivered unopened to the Chair of the Human Resources and Environment Committee of the Board. Regardless of the approach used, the person or office contacted about issues under the Code will handle requests promptly, discreetly, and professionally. Discussions and inquiries will be strictly confidential to the fullest extent possible or as permitted by policy or law.

8.5 The Ethics Officer may be contacted by regular mail addressed to the Ethics Officer, 14 Carlton St., Toronto, Ontario M5B 1K5 and marked CONFIDENTIAL, in person, by way of a dedicated phone line established solely for this purpose (416-542-2767), or by email at EthicsOfficer@torontohydro.com. All issues raised with or reported to the Ethics Officer will be handled promptly, discreetly, and professionally. Reports also may be made on an anonymous basis.

8.6 The Ethics Officer or their designate shall have the discretion to determine how any reported matter to them will be handled. This discretion shall include deciding, in each instance, with whom they should or should not discuss the details of the reported matter**. They shall not

have any obligation to discuss the matter with the Chair of the Board of Directors or any of the other directors or officers of Toronto Hydro, except if the reported matter involves the conduct of any of the directors, the CEO, or any other officer of Toronto Hydro. In such cases, the Ethics Officer shall immediately report the matter to the Chair of the Human Resources and Environment Committee of Toronto Hydro Corporation, or if the matter relates to questionable auditing or accounting matters involving the conduct of one of those persons, then to the Chair of the Audit Committee of Toronto Hydro Corporation and comply with any directives received from the Chair. (**Discussion of reported matters and investigations into potential violations should immediately involve internal or external legal counsel. Legal counsel's involvement is required for the purposes of obtaining facts in order for counsel to provide legal advice and may be relevant for the establishment of privilege. All documentation should be marked "privileged and confidential". Legal counsel must be involved immediately because in some instances, investigations will have a primary purpose of preparing for litigation, which may also be relevant to the establishment of privilege.)

- 8.7 All disclosures to the Ethics Officer will be kept strictly confidential to the fullest extent possible or permitted by policy or law unless, in the sole opinion of the Ethics Officer, the matter disclosed constitutes an actual or potential threat of harm to Toronto Hydro, its employees, or the general public. In that event, the Ethics Officer will act in accordance with any disclosure procedure issued by Toronto Hydro's General Counsel.
- 8.8 During an investigation of a report, an individual who is the subject of the investigation may be placed on administrative leave, if it is determined by the Ethics Officer (or in the case of a executive officer by the Chair of the Human Resources and Environment Committee of Toronto Hydro Corporation) that doing so would serve the interests of the individual, the company or any other person. Such a leave is not to be interpreted as indicative of any wrongdoing by the individual on leave.
- 8.9 Management is responsible for ensuring that no retaliatory action will be taken against anyone who, in good faith, (i) made a report of an ethical or legal concern or violation, (ii) lawfully provided information or assistance in an investigation regarding any conduct which may involve a violation of securities laws or fraud, (iii) filed, testified, participated in or otherwise assisted in a proceeding relating to a potential violation of applicable securities laws or fraud, (iv) provided a law enforcement officer with truthful information regarding the commission or possible commission of an offence or (v) provided assistance to the Ethics Officer, the Board of Directors, management or any other person in the investigation of a report. However, anyone who takes part in a prohibited activity may be disciplined even if they report it. An employee's decision to report will, in all cases, be given due consideration in the event that any disciplinary action is necessary.
- 8.10 Any employee found to be retaliating against an individual contrary to the preceding paragraph will be subject to disciplinary action up to and including termination of employment for just cause. Employees who knowingly submit false reports will also be subject to disciplinary action up to and including termination of employment for just cause.
- 8.11 The Ethics Officer will maintain a log of all reports, tracking the date, time and manner in which the report was received, the nature and results of any investigation and the resolution of the matter. A quarterly summary of reports received, under investigation and resolved shall be provided to the Human Resources and Environment Committee of the Board of Directors. The Ethics Officer will also maintain records relating to received reports for a period of at least seven years.
- 8.12 For clarity, Toronto Hydro will comply as is necessary with any and all applicable legislative whistleblower protections, including but not limited to under securities legislation.

9 POLICY COMMUNICATION

Communication Trigger	Type Of Communication	Party Responsible For Policy Communication	Audience	Acknowledgement?
<ul style="list-style-type: none">• New Hire• Policy Revision• Annual Review	<ul style="list-style-type: none">• Intranet Posting;• Email; or• Hard Copy Provided	Executive Vice-President & Chief Human Resources and Safety Officer	All Employees	No

10 RELATED LAWS, REGULATIONS AND DOCUMENTATION

10.1 Refer to the following policies and guidelines located on the Toronto Hydro intranet site:

- Disclosure Policy
- Expense Reimbursement Policy
- Fraud-Theft Prevention Policy
- Social Media and Digital Communication Policy
- Workplace Harassment and Discrimination Policy
- Environmental Policy
- Violence Prevention in the Workplace Policy
- Toronto Hydro Privacy Policy
- Toronto Hydro Technology Use Guidelines
- Cyber Security Policy