



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

1. INTRODUCTION

The United Farmers of Alberta Co-operative Limited, its subsidiaries and related entities (together referred to as “UFA” or the “Cooperative”) are committed to fostering a culture of honesty, accountability and integrity in our business operations and in our relationship with our employees, members, customers and business partners. This commitment is endorsed and owned by the UFA’s Board of Directors and the Senior Leadership Team who have primary accountability for ensuring that UFA’s values of integrity, accountability and respect are lived in all that we do as a Cooperative. The UFA Code of Business Ethics (the “COBE”) is intended to reflect these values and this commitment.

To assist in the implementation, enforcement and compliance with the COBE, UFA has established a Council (the “COBE Council”) whose primary purpose and function is oversight of the application, administration and enforcement of the COBE. The Council is composed of: (a) the President and Chief Executive Officer, who is the Executive Sponsor; (b) the Chief Corporate Affairs Officer, who shall act as the Council Chair; (c) the Director, Internal Audit, (d) Chief Financial Officer and (e) General Counsel. The Council may also, at its discretion, appoint any other members to the Council as it deems necessary to fulfil its roles and responsibilities.

2. PURPOSE

The objective of the COBE is to (i) promote conduct that is honest, ethical and fair; (ii) ensure we are compliant with laws, rules, policies and regulations; and (iii) discourage wrongdoing or improper conduct.

To fulfil these objectives the COBE addresses the following:

- (a) Compliance with external laws and regulations and with internal policies, rules, procedures and controls;
- (b) Honesty and fair dealing with UFA’s customers, suppliers, competitors and employees;
- (c) Conflicts of interest and the receipt of gifts or personal benefits;
- (d) The proper use and protection of corporate assets, information and reputation;
- (e) Protection of the confidentiality of corporate information;
- (f) Protection from harassment and discrimination; and
- (g) The reporting and investigation of suspected violations of the COBE.

Although the Code outlines basic principles of ethical conduct, it cannot anticipate or specifically address every situation that may arise. In many cases, direction and guidance on proper ethical



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

conduct or compliance with the COBE is found within other UFA Corporate Policies, such as the *Workplace Anti-Harassment Policy and Plan*, the *Competition Act Compliance Policy*, and the *Privacy Policy*. Rules and guidance regarding the authorized use of UFA's information technology is covered by the UFA's *Acceptable Use Policy*. If an individual is uncertain about the application of the COBE to a situation or the best course of action in response to a suspected violation of the COBE, it is that individual's responsibility to seek guidance from their immediate supervisor, from an HR Representative or from a member of the COBE Council.

3. APPLICATION

The COBE applies to all UFA employees, executive officers, and elected UFA officials (each referred to as "UFA Representatives").

As a reflection of the application of the COBE and the commitment to compliance with the COBE, all UFA Representatives shall, on an annual basis, provide formal acknowledgement of the COBE through the endorsement of an Accountability Statement in a form substantially similar to that found in Appendix "A" or through an acknowledgement statement included as part of an on-line COBE training program.

4. LEGAL AND POLICY COMPLIANCE

Compliance with the law is an absolute requirement for UFA and all UFA Representatives. We must observe all federal, provincial and local laws and regulations that apply to our business. UFA Representatives are not expected to be experts in the law, but you are expected to be generally aware of those laws or regulations that govern UFA, its representatives, the operation of your department or your area of functional responsibility. If you are unfamiliar with the laws or regulations that may be applicable to your area of the business, ask your immediate supervisor or consult with the Legal Department.

Compliance with internal policies, rules, procedures or controls is also important to the integrity of our business activities and conduct in the workplace. The failure to follow a corporate policy, rule or control may be an indication of unethical, improper or unfair conduct. As a UFA Representative you have an obligation to make yourself aware of the policies, rules and controls applicable to you or your area of functional responsibility and to ensure you are in compliance.

5. REQUIREMENTS OF FAIR DEALING

UFA Representatives are expected to deal fairly with each other and with UFA suppliers, creditors, customers, members, competitors, and other third parties.

Fair dealing is behaviour or conduct that exceeds simply complying with the law or avoiding illegal acts, but includes conduct that is respectful, honest and transparent towards others.

This also includes cooperation with others both inside and outside the Cooperative on matters that relate to UFA's business operations or its obligations to comply with the law. UFA



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

Representatives must also be honest and forthcoming with the Cooperative's internal and external auditors, regulatory bodies, and other organizations.

UFA business operations and offerings are often in competition with other suppliers. UFA's commitment to fair dealing in a competitive environment is reflected in its *Competition Act Compliance Policy*. In support of these obligations, all representatives of UFA must avoid illegal or unfair competitive practices.

6. CONFLICTS OF INTEREST

A conflict of interest arises when we allow our personal relationships or interests impact our judgement and our ability to make honest, ethical and sound business decisions in situations where the interests of UFA, our members and our customers must come first. Conflicts of interest, both real and perceived, can have a negative impact on our Cooperative and on each of us as individuals.

As a result, all UFA Representatives must avoid any actual or perceived conflicts between our personal interests and the interests of the Cooperative. This includes making personal gains by using UFA resources or taking advantage of relationships or opportunities that arise by one's position with UFA.

Other potential conflicts of interest include (but are not limited to):

- (a) using one's position as an employee, executive officer, or elected UFA official to influence or bypass the application of policies, rules or procedures for personal benefit or the benefit of friends or family, including the avoidance or tardiness of the payment of dues, customer accounts, invoices or bills owing to UFA or its business partners;
- (b) selecting suppliers of goods and services for personal benefit or the benefit of friends or family instead of those that will best meet UFA's business needs; and
- (c) working for a competitor of UFA or for a new business formed to compete with UFA.

Receipt of Gifts or Other Personal Benefits

The receipt of gifts or other personal benefits from those outside of UFA also pose a risk of influencing our ability to make objective business decisions and must be approached with caution. Improper gifts or improper personal benefits can include goods, services, hospitality, entertainment or opportunities that one receives for free or for less than fair market value. Gifts or benefits which are of a nominal value and are customary and proper for the circumstances or position are not considered improper and may be accepted by a UFA representative provided they do not result in an actual or perceived obligation.

If an individual has any questions about which gifts or benefits may be acceptable and which must be refused, they should speak with their immediate supervisor or an HR Representative for guidance and advice, however, neither has the authority to approve a gift or benefit which is prohibited by the COBE.



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

Further information and guidance on the risk of conflicts of interest in the context of personal relationships within the workplace can be found in the *Personal Relationships in the Workplace Policy*.

7. PROTECTION OF UFA ASSETS, INFORMATION AND REPUTATION

UFA Property

UFA Representatives are responsible for protecting the Cooperative's property, assets, equipment and resources from misuse, misappropriation, sabotage, damage and unauthorised use. This includes both tangible assets, such as vehicles, equipment, IT software and hardware, and facilities, and intangible assets, such as business opportunities, intellectual property, trade secrets, and customer data and information. Rules and guidance regarding the authorized use of UFA's information technology is covered by the UFA's *Acceptable Use Policy*.

The misuse of corporate credit cards or the improper submission of expenses that are not used for business purposes may also constitute the misuse or unauthorized use of UFA property under the COBE. Further guidance and direction can be found in UFA's *Business Expenses Reimbursement Policy*.

Confidentiality of Corporate Information

UFA Representatives are responsible for safeguarding the proprietary and confidential information of UFA, as well as other proprietary and confidential information entrusted to UFA by others, such as employees, customers, members and suppliers. Such information should not be disclosed unless required by applicable laws, rules or regulations or in compliance with any disclosure policies put in place by UFA. The collection, use, safeguarding and disclosure of employee, customer or member information is covered by UFA's *Privacy Policy*. An intentional breach of the *Privacy Policy* may constitute a violation of the COBE.

The obligation to safeguard proprietary and confidential information of UFA applies both during a UFA Representative's employment or engagement with UFA, and after such employment or engagement.

Appropriate authorization is required to disclose confidential or proprietary information about the Cooperative or any person or organization with which the Cooperative has a current or potential relationship. If in doubt, an individual should make every effort to obtain appropriate guidance or should not disclose the information.

Protecting UFA's Reputation

One of UFA's most valuable assets is its strong brand and reputation with its members, customers and in the community. Conduct by UFA Representatives that could reasonably be seen to undermine or harm the reputation of UFA may constitute a violation of the COBE.

Caution should be exercised by any UFA Representative if they are asked to speak on behalf of the UFA. All official public communications such as news or media release should be directed



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

through UFA's Communications Department or through a member of the Senior Leadership Team. UFA Representatives should be cautious in the use of personal social media when discussing matters related to UFA business. Offensive, inflammatory, or disrespectful communications through social media by a UFA Representative on matters arising from UFA's business operations or activities may constitute a violation of the COBE.

8. PROTECTION FROM HARASSMENT AND DISCRIMINATION

UFA strongly believes that every UFA Representative has a right to be free from discrimination and harassment in their dealing with the Cooperative and in the workplace. This includes all dealings with UFA members and customers. UFA prohibits any conduct or behaviour that constitutes harassment or discrimination of any type. This includes discrimination based on race, ethnic origin, place of origin, religion, age, sex, sexual orientation, family status or disability. It also includes all forms of misconduct or harassment covered by the UFA *Anti-Harassment Policy and Plan*. Further guidance and direction on the types of prohibited conduct and the responses to suspected violations of those prohibitions can be found in the UFA *Anti-Harassment Policy and Plan*.

9. VIOLATIONS OF THE COBE

Reporting of Suspected Violations

All UFA Representatives are expected to report situations where they believe there has been a violation of the COBE. Prompt reporting of suspected wrongdoings enables management to take appropriate and timely corrective action.

In cases where a violation is suspected, employees are encouraged to first discuss the situation with their immediate supervisor, an HR Representative or another member of senior management with whom they feel comfortable speaking. Reports of suspected violations can also be made to any member of the COBE Council.

UFA has made available an *Integrity Hotline* through which any UFA Representative can make a confidential report of a suspected violation. Information about the *Integrity Hotline* is available on the UFA website (*UFA.com*) and intranet (*Corner Post*), or at any UFA location.

Protection from Retaliation

Any UFA Representative who in good faith, reports a suspected violation can be assured that there will be no reprisal or retaliation made against the person reporting. Reprisal or retaliation of any form is strictly prohibited and any person who retaliates against individuals who report concerns in good faith will be subject to a disciplinary process, up to, and including, termination.



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

Investigation of Suspected Violations

Under the oversight, guidance and direction of the COBE Council, management is responsible for investigating and responding to any reported suspected violation. Individuals assigned to investigate suspected violations will exercise independent and objective judgment and will conduct investigations in as promptly a manner as possible and in a fashion that preserves confidentiality, recognizing that complete confidentiality may not be possible in all cases or in all parts of the investigation. All individuals subject to an investigation, including witnesses or others with relevant information, will also be expected to preserve the confidentiality of the investigation and to act reasonably and with cooperation during the course of the investigation.

Consequences for a Breach of COBE

Any suspected breach of the COBE will be investigated thoroughly and if a violation is determined to be found it will be treated seriously. Depending on the severity and nature of the violation, consequences for a breach of the COBE may include disciplinary action up to and including the termination of the employment or engagement of the UFA Representative found to have violated the COBE.



CODE OF BUSINESS ETHICS

Revised: January 12, 2021

ACCOUNTABILITY STATEMENT

As an employee, officer, or elected official of the United Farmers of Alberta Co-operative Limited, its subsidiaries and related entities (collectively, "UFA"), I understand my responsibilities as defined by UFA's Code of Business Ethics (the "COBE").

I have not acted in a way that contravenes the COBE and agree to abide by the COBE in the future.

I have reported or have taken sufficient steps to obtain advice and guidance with regard to any ethical situations that may have come to my attention or that have involved me.

I understand that wrongdoings include, but are not limited to, acts that are illegal or contravene any rules and regulations that apply to UFA, do not adhere to the by-laws, policies, and internal controls of UFA, or are dishonest, unscrupulous, or do not demonstrate fair dealing.

I understand that not providing formal acknowledgement on an annual basis through this accountability statement, or failure to follow the COBE, may result in disciplinary action up to and including termination of my employment or position with UFA.

Signature

Name (Print)

Email Address

Employee Number

Date