



# **Code of business conduct**

**Standard Life** 

## **Table of Contents**

### **04 Letter from the President**

### **05 Purpose**

### **06 Principle I - Compliance with the Company Policies and Procedures, Laws, Rules and Regulations**

1. Laws, Rules and Regulations
2. Company Policies and Procedures

Related Policies

### **07 Principle II - Avoiding Conflict of Interest**

1. Insider Information
2. Confidential Information
3. Outside Personal Activities
4. Gifts and Favours
5. Outside Offices and Directorships

Related Policies

### **12 Principle III - Conducting Business Professionally and with Integrity**

1. Ethics and Integrity in the Workplace
2. Anti-Money Laundering / Anti-Terrorist Financing
3. Communications
4. Honest and Fair Treatment of Customers
5. Trade and Competition Practices
6. Intellectual Property
7. Social and Environmental Responsibilities
8. Dealings with Outside Persons and Organizations

Related Policies

**17 Principle IV - Protecting and Proper Use of Company Assets and Records**

1. Company Funds
2. Computer Systems Security
3. Records and Reporting
4. Financial Crime Policy
5. Whistle-blowing

Related Policies

**20 Principle V - Protecting and Maintaining Confidentiality and Privacy**

1. Confidential Information
2. Right to Privacy

Related Policies

**22 Principle VI - Compliance with the Code**

1. Code of Business Conduct

# Letter from the President

I am pleased to present our Code of Business Conduct (the Code), which applies to The Standard Life Assurance Company of Canada and affiliated companies in Canada.

The Code is revised from time to time in order to stay abreast of any changes in ethical standards and I invite you to read it carefully.

The Code sets out, in very broad terms, the type of business conduct and personal ethics that is required of you in order for Standard Life to continue to be regarded as a company of the utmost integrity – one of our core values. As you well know, for all its financial strength, the Company is a reflection of the conduct of all of us who manage its affairs. The Code is a means of providing formal guidelines on the behaviour that is expected of all our staff.

The Code's requirements, which are mandatory for all directors and employees, are based on common sense and sound legal and business practice. Every employee and director is required to make a formal declaration each year regarding observance of the Code. In this regard, you will be asked to declare any business affiliations or activities in which you, or the members of your immediate family, are involved which could be of significance in relation to the provisions of the Code.

The Code has been carefully prepared with a view to balancing the individual's right to freedom of action against the Company's duty to ensure that the protection of its stakeholders' (policyholders, shareholders, employees and suppliers) interests is real and apparent. I know that you will accept this revised Code as a positive step and that I can count on you to renew your knowledge of its content and uphold it in your daily lives.



Joseph Iannicelli  
President and Chief Executive Officer,  
The Standard Life Assurance Company of Canada

March 2011

# Purpose

\* Throughout this document, the name Standard Life or Company is used to denote The Standard Life Assurance Company of Canada and its affiliated companies in Canada.

The Standard Life Assurance Company of Canada and its affiliated companies in Canada\* are committed to the highest level of legal and ethical standards in the conduct of business and wish to be and be known as good corporate citizens and companies that deal fairly and equitably with clients and employees. This Code of Business Conduct is intended to assist each member of the organization to know what is expected, and it sets out our minimum standards of behaviour. The Code applies to all members of the Board and all employees of Standard Life and the use of the word “employee” in this Code applies to all of these persons.

The words “immediate family” include spouse, parents and children, regardless of residence, and any other persons living in an employee’s household. All employees are required to review the Code carefully and to be guided by its principles so that Standard Life may continue to earn the trust and confidence of its clients and the public at large.

# Principle I - Compliance with the Company Policies and Procedures, Laws, Rules and Regulations

We must uphold and comply with the Company's policies and procedures and all laws, rules, regulations and professional conduct standards governing the Company's business activities.

## 1. Laws, Rules and Regulations

Standard Life and its employees must comply with all federal, provincial, municipal and local laws, regulations and professional conduct standards governing the Company's business in the jurisdictions in which we operate. Our operations are subject to very complex and changing laws and regulations and, if an employee is in doubt about the application or interpretation of any legal requirement, the matter should be referred to the Legal and Compliance Division.

## 2. Company Policies and Procedures

Standard Life is committed to maintaining the highest standard of business practices in all areas of its activities. The intent of these policies and procedures is to support the Company and its employees in meeting our business objectives, to protect our clients and our reputation and to avoid fines, penalties and other restrictions that could be imposed by regulatory bodies.

Policies and procedures are a means of providing formal guidelines for the activities and processes that are expected of us all. In each functional area, policies and procedures have been implemented, where appropriate, and are reviewed regularly in order to be in line with regulatory requirements and our Mission and Values, and to ensure Standard Life continues to be regarded as a company of the utmost integrity.

Every employee must carry out Standard Life activities in compliance with applicable Legislative Requirements and Company Policies and Procedures and report any instances of non-compliance to their Management and to the Legal and Compliance Division.

## Related Policies

► [Link to all Corporate Policies and Procedures on eSpace](#)

## **Principle II - Avoiding Conflict of Interest**

We must avoid personal or financial conflicts of interest and handle actual or perceived conflicts honestly and ethically, making appropriate disclosure. We must act within the limits of our authority at all times and must not be compromised through any preferential treatment given to or accepted from customers, suppliers or other people with whom we deal.

### **1. Insider Information**

#### **1.1 Insider Information**

As the subsidiary of a public listed company, it is important that insider information (such as the Company's financial results, knowledge of a proposed major acquisition or disposition or any event that could affect the stock price of Standard Life plc) is not disclosed to anyone until it has been officially released to the public. This is to ensure that all investors have access to significant information about the Company at the same time. Each employee is responsible for immediately notifying the Senior Vice-President, Legal and Compliance of any potential Insider Information of which the employee may become aware. Employees must not disclose this insider information to anyone else, whether inside or outside of the Company. If an employee has any doubts or concerns related to whether or not an event might be considered to be insider information, the employee should contact the Senior Vice-President, Legal and Compliance, to seek advice.

#### **1.2 Material Information**

“Material Information” includes information about a material fact or material change regarding the financial condition, present or future, of a company, its products and services, the market for its securities or Standard Life's investments or investment intentions with respect to such company. Information will be deemed “material” if it has not been generally disclosed and a reasonable person would consider it important, under the circumstances, in deciding whether to purchase, sell or hold any securities.

Employees shall not use material information gained in the course of employment and which is not generally known to the public for personal gain or for the advantage of others such as friends and relatives. Using or passing on material information to another person or company is illegal and an employee who does so could expose himself or herself and/or Standard Life to substantial damages.

No employee may trade in securities for his or her account or the account of any member of his or her immediate family on the basis of material information which was gained in the course of employment with Standard Life and which is not generally known to the public.

An employee who knows or has reason to believe that Standard Life is purchasing, selling or actively negotiating with respect to a particular security or other investment in a company may not purchase or sell, directly or indirectly, the securities of that company for his or her own account or that of any member of his or her immediate family until after the completion of such purchase or sale by Standard Life, without the approval of the President of Standard Life Investment Inc. or the Senior Vice-President, Legal and Compliance.

### **1.3 Public Information**

Information is considered “public” once there has been a public announcement of the information by a company, such as an announcement through radio, television, news wire services, or in a document like an annual report or prospectus. Once the information is public, it no longer compromises the trading of securities on the basis of that information.

## **2. Confidential Information**

There are certain types of information that may not be considered as “material information” but that, in fact, could be sufficiently important that, if used inappropriately, could affect the Company’s competitiveness. As a result, this type of information must be treated as confidential information.

## **2.1 Corporate Information**

Any information acquired by employees during the course of their employment regarding the Company's business and that is not generally known to the public must be treated as confidential. Examples are business plans and strategies, product development plans, pricing, systems and investments as well as all related documentation. Such information is not to be disclosed outside of the Company and employees may not use it for their personal advantage or that of their families, friends and associates. The circulation or leaking of certain types of information could materially weaken the Company's competitive advantage and would, in many instances, give rise to conflicts of interest and even an aborted transaction.

## **2.2 Real Estate**

No employee of the Company who knows or has reason to believe that Standard Life is purchasing, selling or actively negotiating with respect to any real estate may purchase, take an option on, or otherwise acquire a financial interest in any real estate in the same general area for his or her account or that of any member of his or her immediate family. This restriction on personal transactions will continue for a period of six (6) months following the completion of the Standard Life transaction. Employees contemplating any such personal transaction should discuss the matter with the Vice-President, Real Estate, who will determine the meaning of "in the same general area" depending upon the nature of the property and the city in which it is located.

## **3. Outside Personal Activities**

Employees must ensure that actions taken and decisions made by them within their jurisdiction are free from the influence of any interest that might reasonably be regarded as conflicting with the interests of Standard Life and its clients.

In this regard, the following principles must be adhered to:

1. Personal or outside activities must not conflict, either directly or indirectly, with an employee's duties to Standard Life. Employees should, therefore, avoid situations in which their personal interests conflict, or are likely to conflict, with their duties to the Company.
2. No employee should participate in a personal, business or investment activity outside Standard Life which would tend to:
  - a) create an excessive demand upon his or her time and attention and thus deprive Standard Life of his or her best efforts at work; or
  - b) create a conflict of interest—that is, an obligation, interest or distraction which would interfere with the independent exercise of his or her judgment in Standard Life's best interests.

An employee who has a conflicting or possibly conflicting interest between his or her personal, business or other outside activities and any business interest of Standard Life or any transaction which he or she knows is under consideration by the Company must make timely disclosure in that regard to his or her immediate supervisor, as well as written disclosure to the Senior Vice-President, People and Communications.

#### **4. Gifts and Favours**

Employees and members of their immediate family must neither accept nor be a party to giving gifts or favours from or to anyone with whom the Company is doing or negotiating business. This rule is not intended to prohibit normal and widely accepted ethical business practices such as business meals and receptions, including mementos or gifts of nominal value from or to individuals or firms with which Standard Life does business. However, anything that could be considered as a payoff or secret compensation is prohibited. If in doubt, the gift or favour should be declined. In particular, employees should guard against any situation where their business judgment might be influenced by a feeling of gratitude.

The selection of suppliers, contractors and any other firms or individuals retained by Standard Life for the purchase of goods or services is to be made in accordance with the Company's purchasing policy and solely on the grounds of the best available price, superior quality and integrity. Gifts and favours and other personal benefits or advantages must not be accepted in consideration of the granting of such contracts or the purchase of goods or services.

## **5. Outside Offices and Directorships**

Employees of the Company have a responsibility to promote good public relations, especially on the community level. Their readiness to help with religious, charitable, and educational activities has brought great credit to Standard Life and should be broadened and encouraged. Also, in some cases, it may be consistent with the Company's interests for employees to serve on the boards of other businesses. However, any outside activities which impair an individual's ability to attend to Company duties, or which might conflict with his or her duties on behalf of the Company, should be avoided. If there is any question about any such outside activities being contemplated by an employee, the Senior Vice-President responsible for his or her business function should be promptly informed. Furthermore, prior approval to serve on the board of an outside business must be obtained from the President and Chief Executive Officer, Standard Life Canada.

### **Related Policies**

- ▶ Conflict of Interest Policy
- ▶ Policy regarding Improper Trading Practices
- ▶ Securities Dealing Policy
- ▶ Inside Information Policy
- ▶ Purchasing Procedures
- ▶ Outside Appointments Policy
- ▶ Policy regarding Related Party Transactions

## Principle III - Conducting Business Professionally and with Integrity

**For our customers:** We must at all times act honestly and fairly with customers, providing high standards of service, respecting their interests and aiming to meet their needs.

**For our people:** We must treat our people fairly and support their ongoing learning and development. We must actively attain and maintain a level of professional competence appropriate to our responsibilities.

**For our stakeholders:** We must communicate honestly and accurately with all of our stakeholders and ensure that we act, and are seen to act, with integrity at all times. We must contribute to the social, economic and environmental wellbeing of the communities where we have operations.

### 1. Ethics and Integrity in the Workplace

It is the policy of Standard Life to establish and maintain an efficient organization in a challenging working environment where ability and performance are recognized. It is also the policy of the Company to develop and maintain an environment that promotes and encourages opportunities for employee advancement, high individual and departmental performance levels and the implementation of an organizational hierarchy consistent with delegation of responsibility and accountability.

The Company's employment practices, including career postings, interviewing, recruitment, compensation, benefits and the administration of all personnel programs are to be conducted in accordance with these principles and without discrimination on any of the prohibited grounds referred to in the human rights legislation of the provinces of Canada. Promotions are to be made on the basis of ability demonstrated by work performance. Standard Life will also comply with all applicable legislation relating to employment standards including statutory holidays, minimum wages, hours of work, vacation pay entitlement, and maternity and parental leaves. Furthermore, Standard Life is committed to maintaining a productive business environment free from personal or sexual harassment or exploitation of any nature.

Any complaints concerning discrimination, harassment or unfair employment practices should be reported immediately to the employee's immediate supervisor, the Senior Vice-President, People and Communications, or through the use of the Company's Whistle-blowing Helpline – *direct link*.

## **2. Anti-Money Laundering / Anti-Terrorist Financing**

Money laundering is essentially the process used to disguise the fact that particular funds are the proceeds of criminal conduct, for example, proceeds of theft, fraud, drug-trafficking, terrorism, etc. It includes all steps taken to conceal the true origin and ownership of property obtained through illegal means in order to give the appearance that it has originated from legitimate sources.

Standard Life is committed to maintaining the highest standards of integrity in the conduct of its business as a Canadian regulated institution. Our customers, our employees and the countries in which we do business should feel confident that Standard Life not only administers its business in full compliance with the law and regulations designed to deter and detect money laundering and terrorist financing (the "Legislation"), but also actively seeks to play a positive role as a good corporate citizen to further the goals of the Legislation.

Detecting money laundering and terrorist financing activity requires Standard Life to properly identify and authenticate its customers and to report any suspicious transactions made by our customers to the regulator. Failure to do so may expose us to legal sanctions, financial penalties and lasting damage to the Company's reputation. Employees should refer to the Company's Anti-Money Laundering and Anti-Terrorist Financing Policy to ensure they understand their obligations.

### **3. Communications**

It is essential to the continued success of the Company that communications with applicants, policyholders, claimants, governmental authorities, the public and others in the organization be conducted in a complete, accurate and timely manner; and it is the duty of each employee to provide services that meet responsible standards of performance, efficiency and courtesy. A prompt response must be made to all requests for information and to all complaints. However, care must be taken when responding to complaints; responses should be based solely on verified facts and without any admission of responsibility, because responsibility in such cases must then be determined by the Legal Department.

Communications with the Board of Directors, corporate officers and internal and external auditors on all matters relevant to them must be complete, accurate and timely. It is also essential that full and complete reporting be made to all regulatory bodies as required by law.

### **4. Honest and Fair Treatment of Customers**

At Standard Life, we place fair treatment of our customers at the heart of our culture and are committed to building valuable relationships with our customers that help them protect and grow their assets. We do this by ensuring customers are at the heart of our brand, mission, vision and everything we do.

In this regard, our customers should:

- ▶ Be confident that our culture – through our staff, strategies, systems and procedures – is designed to deliver fair customer treatment;
- ▶ Be provided with clear information and kept appropriately informed; and
- ▶ Not face unreasonable barriers when they want to change product, switch to another provider, submit a claim or make a complaint.

## **5. Trade and Competition Practices**

Standard Life and its employees should avoid doing anything that might be considered as an unfair trade practice. Examples of unfair trade practices include price fixing and other acts which result in lessened competition, false or misleading advertising, misleading or deceptive representations concerning products and services and false statements concerning other insurance companies.

The Company is committed to competing ethically and in accordance with laws that foster competition in the marketplace. The Company's competition policy sets out the requirements and guidelines to be adhered to with respect to compliance with competition laws.

## **6. Intellectual Property**

Intellectual property is an important and valuable business asset for Standard Life that must be protected and respected. Intellectual property rights can cover ownership of a wide range of "intellectually created" materials, such as product names, designs and logos, software programs and marketing material developed by Standard Life employees within the scope of their employment on behalf of the Company. Any intellectual property developed by Standard Life employees in the scope of their employment with the Company is the property of Standard Life. The Legal department must be consulted in order to properly register and protect any intellectual property that Standard Life creates, and if an employee becomes aware of a possible infringement or breach of any intellectual property rights of Standard Life (i.e. an improper use of our logo or the unauthorized use of material created by Standard Life), that employee must advise the Legal department.

Additionally, the proprietary rights of outside firms that provide software to Standard Life on a license basis must be protected. All employees are required to protect the confidentiality of such programs and must not participate in their unauthorized duplication or use. Care must also be taken to avoid infringing or breaching the intellectual property rights of other parties (i.e. an unauthorized use of material created by someone else).

## **7. Social and Environmental Responsibilities**

The Company is committed to environmental protection through the reduction and recycling of waste and the safe handling and disposal of any materials that may be considered hazardous in accordance with applicable federal, provincial, municipal and local laws and regulations.

Furthermore, employees of the Company have a real responsibility to ensure good public relations, especially on the community level. Their readiness to help with religious, charitable, and educational activities has brought great credit to Standard Life and should be broadened and encouraged. Corporate Social Responsibility is a fundamental part of our business philosophy and culture, and our processes in this regard are subject to continuous improvement. Standard Life's Public Accountability Statement presents the Company's program and global operations and is available for consultation on our website.

## **8. Dealings with Outside Persons and Organizations**

When communicating on matters not involving Company business, employees must ensure to separate their personal roles from their corporate positions. Company identification, stationery, supplies and equipment must not be used for personal concerns or political matters. When communicating publicly on matters that involve Company business, employees should not presume to speak for the Company on any matter unless they are certain that the views they express are those of the Company and that it is the desire of senior management that such views be publicly known.

Inquiries directed to an employee from the press or other media concerning Standard Life should be referred to the Associate Vice-President, External Communications, before any information or opinion is given. This is essential to ensure that public communications regarding Standard Life represent the corporate position, as opposed to personal views, and to avoid any public disclosure of confidential information.

### **Related Policies**

- ▶ Corporate HR policies
- ▶ Anti-Money Laundering and Anti-Terrorist Financing Policy
- ▶ Handling Complaints Policy
- ▶ Legal and Intellectual Property Policy
- ▶ Competition Policy
- ▶ Public Accountability Statement

## **Principle IV - Protecting and Proper Use of Company Assets and Records**

We must strive to continuously improve the processes we use and will consider value, risk and control in decision-making. We must protect the assets of the Company, and ensure that they are properly and efficiently used for legitimate business purposes. Any suspected incidents of fraud or theft should be immediately reported.

### **1. Company Funds**

All employees who have access to Company funds in any form must follow the prescribed procedure for recording, handling and protecting these funds as detailed in the Company's applicable policies and procedures. Where an employee's position requires the spending of Company funds or the incurring of expenses to be later reimbursed by the Company, it is the individual's responsibility to comply with the Company's Travel, Purchasing, Outsourcing and other applicable Policies and procedures and to ensure an optimum combination of quality, service, cost and business continuity is received for any expense or as part of any service. Company funds must only be used for Company purposes and not for personal benefit.

### **2. Computer Systems Security**

The security of the Company's computer systems is crucial to the continued success of Standard Life. Access to our computer resources is restricted and can only be used in accordance with Company policy. Individuals who are granted access have an obligation to keep their passwords confidential and to limit their use of computer systems for authorized business purposes only. Computer media containing sensitive information are to be kept in a locked location at all times when not in use; and all computer data of a confidential nature, whether in paper or electronic form, must be kept secure at all times. Employees should refer to the Company's Information Security Policy and related documents on computer security that can be found on the Company's intranet.

### **3. Records and Reporting**

Many kinds of accurate and reliable records are necessary to meet Standard Life's legal and financial obligations and to manage the affairs of the Company. The Company's books and records must reflect all business transactions in an accurate and timely manner and be retained in accordance with the Company's Records Management Policy and related operational retention procedures and schedules. No undisclosed or unrecorded funds or assets are to be maintained and all revenues and expenses are to be properly-recorded. Employees responsible for accounting and record keeping functions are expected to be vigilant in enforcing these principles.

### **4. Financial Crime Policy**

We are committed to protecting our customers', corporate assets and information from the effects of crime. The security of all our assets and the confidentiality of our information is critical to safeguarding customers, employees and our reputation and financial integrity, thus allowing us to meet our business objectives. It is the policy of the Company to follow strict standards to prevent fraud and dishonesty and, where any evidence of an infraction is revealed, it should be reported immediately to the Financial Crime Officer (Vice-President, Compliance) so that further investigation can be promptly initiated, or it may be reported anonymously through the Whistle-blowing Helpline.

## 5. Whistle-blowing

We believe that whistle-blowing contributes to the ethical and smooth operation of Standard Life. Our Whistle-blowing Helpline was designed specifically to allow employees to obtain advice easily or to raise any concerns and provide them with an independent and confidential channel. Employees should not be reluctant to air any legitimate concerns they may have.

### Related Policies

- ▶ Purchasing Procedures
- ▶ Outsourcing Policy
- ▶ Information Security Policy, and related documents:
  - Electronic Mail System
  - Internet
  - Intranet (*eSpace*)
  - Use of Systems
  - Telephone and Voice Mail
  - Corporate Physical Security Policy Manual
- ▶ Records Management Policy
- ▶ Financial Crime Policy

## **Principle V - Protecting and Maintaining Confidentiality and Privacy**

We must maintain the confidentiality of information entrusted to us and shall not use confidential or private information for personal gain.

### **1. Confidential Information**

Any information acquired by employees during the course of their employment regarding the Company's business that is not generally known to the public must be treated as confidential. Refer to Principle II for more details.

Any breaches of confidentiality must be reported immediately to the employee's immediate supervisor and to the Legal department.

### **2. Right to Privacy**

Personal information forms the basis of the life and health insurance industry. As such, the Company must ensure compliance to rules governing the protection of this confidential and sensitive information.

The nature of the insurance business as carried on by Standard Life requires that the Company collect, use and retain personal information about its employees, applicants, policyholders, claimants, borrowers, representatives and investors. The Company must balance carefully its need for such information against the individual's right to privacy, the need for fairness, and the need to minimize intrusiveness, and take necessary precautions to protect these interests. Every reasonable effort will be made to ensure that personal information be kept accurate, relevant to the effective conduct of the Company's business, complete, secure and used only for the purposes for which it was collected.

Personal information about our customers must be collected, used and disclosed as outlined in the Company's Privacy Policy Regarding Customer Information. Personal information must not be disclosed without the knowledge and permission of the person to whom it relates unless otherwise permitted by law. Personal information on our employees is subject to the same privacy guidelines established for our customers. Respecting our customers' and employees' privacy is critical to building strong business relationships. Consequently, employees should familiarize themselves with the Company's privacy policies, procedures and practices to ensure they understand their obligations with regards to employee and customer information.

Any breaches of privacy must be reported immediately to the employee's immediate supervisor and to the Privacy Officer, the Vice-President, Compliance.

### **Related Policies**

- ▶ Privacy Policy Regarding Customer Information
- ▶ Privacy Policy Regarding Employee Information

## **Principle VI - Compliance with the Code**

We require the highest standards of professional and ethical conduct from all members of the Board and employees. By complying with our Code of Business Conduct, we all contribute to the Company's aims in relation to our operational excellence, compliance responsibilities, customers, people, and stakeholders.

### **1. Code of Business Conduct**

The provisions of the Code are mandatory and full compliance is required under any circumstances. Employees will be expected to respect not only the letter but also the spirit of the rules set out in the Code. Employees may be subject to additional rules imposed by regulatory bodies, industry associations or departmental management.

The Code does not attempt to deal specifically with all aspects of the conduct of our business, and certain situations may arise in which it is difficult to determine with certainty the appropriate course of action to follow. Anyone in doubt about the application of the Code to a specific situation should refer the matter to his or her immediate supervisor or to the Legal department.

Violation of the Code will result in disciplinary action, which could include termination of employment. Anyone who is aware of a breach of the Code should report the matter promptly to his or her manager, the Ethics Officer (the Senior Vice-President, Legal and Compliance) or through the Whistle-blowing Helpline. Any such report will be treated in the strictest confidence.

Principle I - Compliance with the Company Policies and Procedures,  
Laws, Rules and Regulations

Principle II - Avoiding Conflict of Interest

Principle III - Conducting Business Professionally and with Integrity

Principle IV - Protecting and Proper Use of Company  
Assets and Records

Principle V - Protecting and Maintaining Confidentiality and Privacy

Principle VI - Compliance with the Code

**[www.standardlife.ca](http://www.standardlife.ca)**