



Internal Disclosure of Information Concerning Wrongdoing in the Workplace

1. Application

This policy applies to all employees of Canada Lands Company CLC Limited (CLC).

2. Objective

CLC is committed to high standards of transparency and accountability in its operations. This policy outlines the internal process by which employees can bring forward information concerning any wrongdoing (refer to definition below), and ensures that they are treated fairly and are protected from reprisal, when they do so in a manner consistent with this policy.

3. Definitions

Wrongdoing is defined as an act or omission concerning:

- a violation of any law or regulation; or
- a breach of CLC's code of conduct; or
- the taking of a reprisal against an employee in relation to this policy; or
- misuse of company funds or assets; or
- gross mismanagement; or
- a substantial and specific danger to the life, health and safety of Canadians or the environment.

Disclosure is defined as information raised within the organization in good faith, based on reasonable belief, by one or more employees, concerning a wrongdoing that someone has committed or intends to commit.

4. Policy

Employees are encouraged to initiate their disclosure of wrongdoing using the disclosure mechanism outlined in section 5 below including, but not limited to, contacting the President & CEO or Chairperson of the Audit Committee of the Board of Directors. In cases where it is believed that the issue could not be raised in confidence within CLC, or the issue involves an immediate risk to the life, health or safety of the public, an employee is justified in making an external disclosure to the appropriate authority. An employee may also be justified in making an external disclosure where the employee has exhausted all internal procedures.

Protection from Reprisal

No employee shall be subject to any reprisal for having made a disclosure in good faith in accordance with this policy. This includes employees who may have been called as witnesses. Reprisal refers to any administrative or disciplinary measure.



Employees who believe they are subject to reprisal as a direct result of having made a disclosure in accordance with this policy should bring the matter to the attention of the Vice President, Administration & Chief Governance Officer, the President & CEO or the Chairperson of the Audit Committee of the Board of Directors.

Confidentiality

No confidential information will be disclosed that is protected under *Personal Information Protection and Electronic Documents Act* (PIPEDA) or CLC's Protection of Personal Information policy, unless required by law. The management team member receiving the complaint (the manager) will explain the parameters of confidentiality the employee can expect when making a disclosure. The manager will provide information on the policy and informal advice to assist an employee who is considering making a disclosure.

Access to information concerning such disclosure will be limited to those individuals directly involved in or investigating the matter. Other than the Vice President, Administration & Chief Governance Officer, the President & CEO and the Chairperson of the Audit Committee of the Board of Directors, the employee will be advised of any other employee to whom the information will be disclosed in order to conduct an investigation.

At no time will the party disclosing the wrongdoing be named to the parties whom the allegations of wrongdoing are being made against, unless required by law, or with the explicit written permission of the disclosing party.

All records concerning the disclosure and any follow up required will be kept in a locked cabinet within the human resources department.

Disclosure of any information concerning apparent criminal activity or action will be referred to proper authorities by CLC, such as the RCMP, for investigation. Confidentiality in such circumstances will be subject to the discretion of the applicable law enforcement authority.

Discipline

An employee is subject to appropriate disciplinary action, including termination of employment, if he or she:

- commits a wrongdoing; or
- makes a disclosure that is frivolous or vexatious or in bad faith; or
- makes a disclosure of company confidential information entrusted to an employee in the normal course of business to outside parties, unless otherwise lawfully required to do so.

5. Procedure

An employee who is aware of or believes that a wrongdoing has been committed or will be committed should first attempt to raise the matter with his/her manager. If that approach is not successful or is not possible, the employee may communicate directly with the President & CEO, the Vice President, Administration & Chief Governance Officer or the Chairperson of the Audit Committee of the Board of Directors. In circumstances where the alleged wrongdoing involves a member of the senior management team, the issue should be addressed directly with the President & CEO and/or the Chairperson of the Audit Committee of the Board of Directors.



The disclosure must include the nature of the wrongdoing, the name of the person alleged to have committed the wrongdoing, the date and description of the wrongdoing, and other pertinent information. The information should be as precise and concise as possible. Anonymous reports will be accepted, but the corporation encourages employees to identify themselves as it might otherwise hinder the corporation's ability to investigate the allegation. Employees are encouraged to bring forward information regarding a wrongdoing within 30 days of knowledge of the event in order that CLC can expediently and effectively investigate the allegation.

The manager will review the information and determine if there is sufficient grounds for further action in consultation with the President & CEO or the Vice President, Administration & Chief Governance Officer. The disclosure may be rejected if it is determined that it is trivial or vexatious, fails to allege or give adequate particulars of a wrongful act, or if it is determined that it was not given in good faith or on the basis of reasonable belief.

The manager will inform the employee in writing of whether the investigation will proceed further. If it is decided to proceed further, the manager, in consultation with the President & CEO or the Vice President, Administration & Chief Governance Officer, will decide based on the nature and particulars of the wrongdoing what the most appropriate next steps are, which will include an attempt at resolution and/or investigation.

Attempt at Resolution

It is expected that most situations will be addressed by discussing the matter with the employees concerned, identifying avenues of resolution and taking appropriate action.

Investigation

If the matter cannot be resolved, the manager, in consultation with the President & CEO or the Vice President, Administration & Chief Governance Officer, may initiate an investigation. He/she may decide to investigate immediately following the preliminary review of the disclosure.

Decision

The manager will inform the parties in writing of the outcome of the investigation. When required, corrective measures will be taken. The President & CEO will provide to the Audit Committee a full report of the allegation and findings at its next committee meeting, or earlier through the Chair of the committee, if warranted.

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