

Disclosure of Wrongdoing - Policy

Context

The Bank of Canada believes it is important to have a culture of open communication where issues and concerns can be dealt with as they arise. The Bank continually strives to ensure its policy framework provides guidance and processes that contribute to best practices and integrity in our business and in our actions.

This Policy supports the Bank's policy framework by providing staff with an additional method for disclosing serious concerns of wrongdoing in the workplace. The policy will apply in situations where it is not possible to use the usual method of reporting concerns to an employee's supervisor or through other policy processes. The Bank strongly prefers to hear about any such concerns in a timely manner so that they can be dealt with and corrected, to avoid the potential of further problems over the longer-term.

Policy

It is the policy¹ of the Bank of Canada that employees should disclose information concerning wrongdoing when they have reasonable grounds to believe that another person has committed a wrongdoing in the workplace, and to ensure that employees who come forward with the context of this policy are treated fairly and are protected from reprisal.

Definition of Wrongdoing

A wrongdoing is defined as:

- the contravention of an Act of Parliament or of the legislature of a province, or of any regulations made under any such Act;
- the misuse of public funds or assets;
- gross mismanagement;
- a serious breach of the Bank's policies;
- an act or omission that creates a substantial and specific danger to the life, health and safety of persons or the environment, other than a danger that is inherent in the performance of the duties or functions of an employee; and
- knowingly directing or counselling a person to commit a wrongdoing.

Judgment calls that result from a balanced and informed decision-making process are not considered wrongdoing within the scope of this policy.

Confidentiality and Reporting of Wrongdoing

The identity of employees involved in the disclosure process, including employees making disclosures, witnesses and employees alleged to be responsible for wrongdoings will be treated as confidential and protected in accordance with the law.

Employees who are making a disclosure are encouraged to identify themselves because, in the event of a concern communicated anonymously, it will not be possible for the employee to be subsequently contacted, whether for clarification or to be informed of the results of the investigation. In addition, the protection and remedies under the Public Servants Disclosure Protection Act are not available for anonymous disclosures.

Employees who become aware of a wrongdoing should first review the Bank's policies for guidance, interpretation and information on the steps to take to resolve the situation. Related policies and procedures include the Conflict of Interest Policy, the Harassment Policy, the Procurement Policy and the Redress Procedure. In addition, where employees become aware of known or suspected cases of fraud or misappropriation of assets, the normal process would be to contact the Chief Internal Auditor.

The usual first step for employees is to raise the matter with a designated senior officer in their department or one of the other departments to determine which policy applies to their concern. Alternatively, the Employee/Management Relations Officer can be approached for guidance.

¹ This policy is consistent with the requirements of the *Public Servants Disclosure Protection Act* (PSDPA) to which the Bank is subject.

Under this policy:

- If the methods described above are not appropriate to use, an employee may communicate directly with the Bank's General Counsel/Corporate Secretary regarding instances of wrongdoing, as described the procedures for disclosures of wrongdoing.
- If it is not appropriate to approach the Bank's General Counsel/Corporate Secretary, employees may communicate with the Chair of Audit and Finance Committee of the Board of Directors of the Bank of Canada with their concern. See the procedures for details.
- Alternatively, an employee may make a disclosure of wrongdoing to the Public Sector Integrity Commissioner (PSIC).

Investigating Wrongdoing

Under this policy, all allegations of wrongdoing will be promptly acknowledged, provided the employee has self-identified, and action will commence as soon as possible. The General Counsel/Corporate Secretary will review the information provided and, if there are sufficient grounds for further action, draw on resources from within the Bank as appropriate (e.g., Audit, Legal, Finance, HR, Security, or external investigative authorities, etc.) to conduct an investigation. See management's section of the procedures for more details on receiving and investigating disclosures.

Once the investigation is complete, the General Counsel/Corporate Secretary will provide a report of the recommendations to the Governor.

If the employee who raised the concern about the wrongdoing is known, the results of the investigation will also be shared with this employee.

External Disclosures of Wrongdoing

- When an employee makes a disclosure to the Public Sector Integrity Commissioner (PSIC), the Commissioner will investigate the alleged wrongdoing, report his or her findings and make recommendations on corrective measures to the Governor of the Bank.
- Any person can provide information about a wrongdoing in, or relating to the public sector to the PSIC, who can investigate the allegation.

Definition of Reprisals

Reprisal is defined to mean any of the following measures taken against a person who has made a disclosure under this policy or has cooperated in an investigation of such a disclosure, including: any disciplinary measure, the demotion of the person, termination of employment, the taking of any measure that adversely affect the employment or working conditions of a person or a threat to do any of those things or to direct a person to do them.

Reprisal Protection Process

Any reprisal complaint must be submitted to the Public Sector Integrity Commissioner (PSIC). Details of the reprisal complaint process and on remedial actions can be obtained from the PSIC website or by contacting the PSIC at:

Public Sector Integrity Commissioner
60 Queen Street, 7th Floor
Ottawa ON K1P 5Y7
Telephone: 613.941.6400
Toll free: 1.866.941.6400

Note: Under the *Public Servants Disclosure Protection Act*, to which the Bank is subject, a reprisal complaint must be submitted to the PSIC within 60 days of the time the complainant became aware of the reprisal, or within 60 days of when the complainant ought reasonably to have known that the reprisal occurred.