

Arcs file #: 7300-06

1.0 GENERAL

1.1 Purpose

The Oil and Gas Commission (Commission), Employee Code of Conduct and Ethics has been prepared to guide employees in the conduct of their Commission and Non-Commission activities. The Code requires sign off annually for compliance.

Any questions about the interpretation or application of this Code should be directed to the HROD Department or Chief Financial Officer (CFO).

1.2 Definitions

For purposes of this Code, unless the context otherwise requires:

“**Act**” means the *Oil and Gas Activities Act* as amended from time to time.

“**Apparent conflict of interest**” means any situation where it would appear to a reasonable person that the employee is in a conflict of interest situation.

“**Code**” means this *Commission Employee Code of Conduct and Ethics*, as amended from time to time.

“**Conflict**” means a conflict of interest or apparent conflict of interest.

“**Conflict of Interest**” means a circumstance where an employee’s private affairs or interests benefit from or are reasonably perceived to benefit from his or her official actions or influence while employed by the Commission.

“**Employee**” includes any individual employed by the Commission.

“**Minimal additional expense**” means that an employee’s personal use of Commission premises and equipment is limited to those situations in which the Commission is already providing premises or equipment and the employee’s use of such premises or equipment would not result in any additional expense to the Commission other than normal wear and tear or the use of small amounts of electricity, ink, toner, paper or similar materials. Examples include making a few photocopies, using a computer printer to print out a few pages of material, making occasional brief personal phone calls, infrequently sending personal e-mail messages, and limited use of the Internet for personal reasons.

“**Minor child**” refers to a child under the age of majority as established from time to time by the laws of British Columbia which at the time of the adoption of this version of the Code is 19 years.

“**Commission premises and equipment**” includes, but is not limited to, office space, telephone, computing services, e-mail, Internet, photocopiers, vehicles and supplies.

“**Private interest**” does not include an interest in a matter that is of general application, that affects a person as a member of a broad class of the public, or that is trivial.

“**Related**” person means a spouse, child, parent or sibling of an employee who resides with that employee.

“**Relative**” includes spouse, children, stepchildren, legal dependents, parents, siblings, in-laws, grandparents, grandchildren, nieces, nephews, aunts, uncles, and first cousins.

“**Spouses**” includes two people who are living together on a bona fide domestic basis. The term does not include a spouse who is living apart from the employee if the employee and spouse have separated pursuant to a written separation agreement or if their support obligations and family property have been dealt with by a court order.

“**Supervise**” means to directly supervise or exercise influence over the assignment of duties, performance evaluation, or related responsibilities of an employee.

2.0 RESPONSIBILITIES

Employees must not use their position with the Commission to advance their personal interests. Conflicts include matters specifically addressed in this Code as well as actions or conduct inconsistent with the principles and intent of the Code.

2.1 Employees

All employees are expected to abide by the Code.

2.1.2. Consequences

Employees who do not comply with any provisions of this Code may be subject to disciplinary action, including re-assignment of duties, suspension with or without pay and termination with cause.

2.2 Human Resources & Organizational Development (HROD) Department

HROD will collect and retain the Employee Declaration and Financial Disclosure Summary forms on a confidential basis when an employee is hired by the Commission. The Disclosure Summary form needs to be renewed by the Employee at the beginning of each year, for as long as they are employed by the Commission. Handling of all personal information will be in accordance with the [Freedom of Information and Protection of Privacy Act](#).

2.3 Employee Responsibilities

2.3.1 Commission Values

Employees carrying out their duties fulfilling the Commission's Mission must do so following the Commission's core values of: Respectful, Accountable, Effective, Responsive, Efficient, and Transparent.

2.3.2 Impartiality

All Commission employees must conduct their duties with fairness and impartiality at all times in the best interests of the Commission.

2.3.3 Disclosure

Employees must disclose to the HROD department any situation in which their involvement is a real or perceived conflict of interest. If the HROD department concludes that there is or has been a conflict or any material perception of conflict, the Commissioner must report the findings to the Board Human Resources Committee Chair to determine the appropriate next steps.

If an employee is charged with an offence under the Criminal Code of Canada, arising from the employee's conduct while on or off duty and if the charge could directly affect or appear to directly affect the employee's ability to carry out their duties, the employee shall immediately report such charge to the HROD department, who will work with the Commissioner and the employee's immediate supervisor. The Commissioner in consultation with Board Human Resources Committee Chair will then make recommendations to the Chair of the Board of Directors to determine the appropriate next steps.

Any subsequent use and disclosure of information provided to the Commission pursuant to this section will be subject to the *Freedom of Information and Protection of Privacy Act*.

2.3.4 Compliance with the Law

Employees must act at all times in full compliance with all applicable laws. In his/her relationship with the organization, no employee shall commit or condone an unethical or illegal act or instruct another employee, or supplier to do so. Employees are expected to be sufficiently familiar with any legislation that applies to their work to recognize potential liabilities and to know when to seek legal advice. Employees must not falsify any record of transactions.

2.4 Furthering Private Interests

Employees may be in conflict of interest and in violation of this Code if they:

- Take part in a decision in the course of carrying out their duties, if that decision might further or be seen to further a private interest of themselves, their spouse, or their minor child.
- Use their public role or are perceived to use their public role to influence or seek to influence a Commission or government decision that could further or be seen to further a private interest of themselves, their spouse, or their minor child.
- Use or communicate information not available to anyone external to the Commission, that was gained in the course of carrying out their duties to further or be seen to further their own private interest or that of their spouse or their minor child.

Employees have a responsibility to avoid if possible, real or perceived conflicts of interest between their duties as a Commission employee and their personal interests and/or relationships, and to remove themselves from the conflict, if necessary.

2.5 Dealing with Others

Employees often exercise regulatory, inspection, or other delegated authority over others. Employees must disqualify themselves from activities or decisions if the relationship between them and those directly affected by the activities or decisions may bring the impartiality of the employees into question. If any such disqualification impairs service delivery, the employee must advise his or her direct supervisor of the details of the conflict or perceived conflict and may only exercise their authority in accordance with instructions received. In emergency situations, employees must act impartially and notify their direct supervisor immediately after exercising their authority.

Relatives of an employee may work in the same group within the Commission provided there is no opportunity to exercise or appear to exercise favoritism and no conflict of interest exists for the employees involved. An employee may not supervise a relative unless there are extenuating circumstances and an exemption is granted by the Commissioner.

In the staff hiring and selection process, employees must disqualify themselves from competitions as panel members where applicants include relatives or other individuals, if the continued participation as panel members could raise a question as to their impartiality. This also applies to recruiting casual, hourly staff or employees hired through special employment programs, such as the summer student program.

Employees must disclose to the Commission through their immediate supervisor or directly to the Commissioner, situations that may be or may appear to be conflicts of interest under this section, as far as these are known to them.

2.6 Respectful Workplace

The Commission is committed to providing a work environment where all individuals are treated with dignity and respect. The Commission will not tolerate any discriminatory, harassing, bullying, threatening or violent behaviour by or against any employee or prospective employee, member of the public, or any other individual affiliated with the Commission.

Employees must not discriminate against another employee or prospective employee or member of the public because of that person's race, colour, place of origin, ancestry, gender, age, marital status, religious beliefs (including native spirituality), mental and physical ability, source of income, family status, sexual orientation, or any other category covered under the [British Columbia Human Rights Code](#).

2.7 Outside Employment and Volunteer Activities

Employees must not serve as directors or officers of any company or organization subject to an Act or regulation administered by the Commission.

Employees may accept supplementary employment, including self-employment, and participate in volunteer activities while employed at the Commission, including during leaves of absence, provided that such pursuits do not cause an actual or perceived conflict of interest (e.g., involvement with any company or organization which obtains, or is subject to, as part of its regular business, any interest, authorization, permit, approval or order granted, issued or made by the Commission) and:

- Are performed in such a way as to not appear to be an official act as a Commission employee or to represent a Commission opinion or policy.
- Do not interfere with the employees regular duties.

- Do not involve the use of Commission premises and equipment except as stated under the section 2.8, Limited Personal Use of Commission Premises and Equipment.

Prior to accepting any supplementary employment or participating in a voluntary activity which may give rise to a conflict of interest or a perception of a conflict of interest, employees must notify their direct supervisor in writing about the nature of such supplementary employment or volunteer activity.

Employees must not accept additional compensation for duties that they perform in the course of their Commission employment.

Employees must not allow the performance of their official duties to be influenced by offers of future employment or the anticipation of offers of employment nor may they use their position or Commission premises or equipment to solicit services as a private consultant.

2.8 Limited Personal Use of Commission Premises and Equipment

Commission employees are permitted limited use of Commission premises and equipment for non-Commission-related purposes providing such use:

- Does not result in any additional expense to the Commission other than "minimal additional expense."
- Is performed on the employee's non-work *time*.
- *Does not interfere with the activities of the Commission.*
- *Does not support a personal private business.*
- Is consistent with this Code.

2.9 Teaching

Employees may teach courses at post-secondary institutions for a fee during normal working hours with the consent of his or her direct supervisor and the Commissioner provided that:

- Acceptable arrangements can be made for the employee to perform all regular duties.
- Teaching, course preparation, and marking are done on the employee's own time.
- No other conflict arises.

If the teaching activities infringe on normal duties, the supervisor or the Commissioner may deny the request or may require that all or part of the fee received be paid to the Commission.

2.10 Professional Associations

If employees serve on the executive or committees of professional associations, limited use of Commission services, such as printing, graphics, and mailing, may be provided upon request to their direct supervisor, subject to the provisions of section 2.8, Limited Personal Use of Commission Premises and Equipment.

2.11 Investment and Management of Assets

2.11.1 Restrictions on Assets/Interests for Any Commission Employee

Except as described under 2.11.3 below employees are not to have any direct or indirect monetary or financial interest, or his or her spouse or minor children to have any direct or indirect monetary or financial interest in:

- Any oil or natural gas property or interest located in the province of British Columbia, or
- Any corporation or other person subject to regulation under the Act, or the *Petroleum and Natural Gas Act*.

The following interests shall not be considered to be a direct or indirect monetary or financial interest:

- An interest in a mutual fund which does not specifically target oil and natural gas investments in areas regulated by the Commission, and
- Membership or an interest in a registered pension plan whether arising in connection with prior employment or employment by the Commission.

If the Commission's Chief Financial Officer or Executive Director of Finance and Administration determines that an employee, his or her spouse or minor children holds assets or interests that present a real or apparent conflict of interest, the employee will be advised to divest him or herself of that asset or interest. To comply with this Code, assets and interests must be divested in one of the following ways:

- Sold in an arm's length transaction to a person other than a relative, or

- Place the asset into a blind trust arrangement, in which the employee has no control over the asset and the trustee is at arm's length.

If financial assets or interests are held by a spouse as part of his or her employment compensation package with a corporation or person referred to above, the employee must disclose details of the spouse's investment holdings to the Commission using the Appendix B Form.

Employees with possible conflicts of interest should discuss the matter with the Commission's Chief Financial Officer or Executive Director of Finance and Administration.

2.11.2 Employee Financial Hardship and Conflict of Interest Management Provision

To address potential financial hardship, new employees and employees that currently hold direct shares or stock options in corporations registered as oil and gas operators with the Commission must disclose these holdings to the Commission. Once disclosed there are 2 options for the Commission and employees to manage potential conflicts of interest.

If the employee faces financial hardship from the immediate disposal of the investment holdings:

1. The employee is to prepare a disposal plan within a reasonable timeframe (no longer than 2 years) and ensure that their supervisor reviews inspections and decisions relating to the corporations in which the employee holds direct shares, stock options or interests.
2. If the employee chooses to hold these investments long term, they must abstain from working on any decisions or inspections relating the corporations in which the employee holds direct shares or interests.

And

All Employees agree not to purchase any further shares, stock options or investments of any kind of entities registered with the Commission as oil and gas operators.

2.11.3 Exempt Interests

For certainty, the following types of assets and interests are not considered to give rise to a conflict, are not prohibited by this Code and are not subject to disclosure:

- Assets and interests in partnerships, proprietorships, joint ventures, private companies, family businesses, and directly owned shares in public companies that are not regulated by the Commission.
- Residences, recreational property, and farms on lands on which rights to petroleum and natural gas have been reserved to the Province and which are used or intended for use by employees or their relatives.
- Assets and interests intended for private use that are not of a commercial character, such as household goods and personal effects, works of art, antiques, and collectibles, automobiles and other personal means of transportation.
- Cash and deposits.
- Canada Savings Bonds (and other security investments of fixed value issued/guaranteed by any level of government in Canada or government agencies).
- Registered retirement savings plans (holding other than restricted assets under section 2.11.1), non-petroleum or natural gas based mutual funds, pension plans, registered savings plans under federal or provincial government programs (e.g., home, education), and provided the individual has no control over investment decisions of the plan, fund, or other vehicle to buy, sell, or hold those underlying securities.
- Guaranteed investment certificates and similar financial instruments.
- Annuities and life insurance policies.
- Assets and interests that are not directly or indirectly related to the discretion, function and duties of the Commission.

2.12 Acceptance of Gifts

Employees may not accept fees, gifts, or other benefits that are connected directly or indirectly with the performance of their Commission duties from any individual, organization, or corporation, other than:

- The normal exchange of hospitality between persons doing business together.
- Tokens exchanged as part of protocol.

- The normal presentation of gifts to persons participating in public functions, awards, speeches, lectures, presentations, or seminars.

The monetary value of gifts and hospitality should be inconsequential. Travel points obtained during business travel, where practicable, will be reimbursed for business travel.

2.13 Political Activity

Employees are not restricted from participation in political activity, subject to the following terms and constraints:

- Employees may participate in political activities including membership in a political party, supporting a candidate for elected office, or seeking elected office. Employees' political activities, however, must be clearly separated from activities related to their employment.
- If engaging in political activities, employees must remain impartial and retain the perception of impartiality in relation to their duties and responsibilities. Employees must not engage in political activities during working hours or use the Commission's facilities, equipment, or resources in support of these activities.
- Partisan politics are not to be introduced into the workplace; however, informal private discussions among co-workers are acceptable.
- Section 2.7 "Outside Employment and Volunteer Activities" applies.
- Employees who run as candidates in a federal, provincial, or municipal government (does not include School Board members) election must take a leave of absence without pay commencing on the day after the writ for the election is issued or on the day that their candidacy is publicly announced, whichever is later—the restriction of soliciting contributions does not apply after the leave of absence starts.
- Employees who are elected to a federal, provincial, or municipal government (does not include School Board members) office must request an unpaid leave of absence from the Commission effective on the day of the federal, provincial or municipal election and not to exceed 5 years.
- Employees who seek election and are not elected are entitled to return to employment with the Commission in the same or similar position held before running for office, effective the day after the election.

2.14 Trade Knowledge and Intellectual Property

Any product or technology developed by employees in performing their job responsibilities with the Commission is the property of the Commission.

An employee may not sell, trade, market, or distribute any such product or technology unless otherwise authorized by the Chair of the Board of Directors.

Employees must respect the proprietary knowledge and intellectual property rights of customers, suppliers, and others.

Employees must respect copyright and licence agreements.

2.15 Adherence to Commission Policies

Employees are responsible for knowing and adhering to Commission policies. Supervisors are responsible for knowing, communicating and enforcing Commission policies.

2.16 Post-Employment Restrictions

At no time shall a current employee use or give to others confidential information obtained while in the employ of the Commission. After the end of the employment contract with the Commission, all former employees have an obligation not to disclose or use confidential information obtained through their employment with the Commission.

The Commission retains for itself all proprietary rights in and to all new intellectual property arising out of the services provided by the employee while employed at the Commission.

An Executive member who is recruited to provide services to any third party:

That is currently regulated by the Commission, or who may reasonably be expected to be regulated by the Commission in the future, or

Whose interests have been, or may be, significantly affected by a regulatory or policy decision in which the Executive has participated in the year preceding the recruitment,

and

- must immediately disclose the details of this recruitment to the Commission's HROD lead and must abstain from participating in regulatory decisions and policy development that could be perceived as providing that third party with an unfair advantage. HROD in consultation with the Commissioner will advise the Executive member of the appropriate next steps.
- if the Executive member had substantial involvement in dealings with an outside entity at any time during the year immediately preceding the end of employment with the Commission for one year after the end of their employment with the Commission must not:
 - Disclose confidential information that was obtained through employment with the Commission.
 - Lobby or otherwise make representations for that outside entity to the government of British Columbia or its agents.

The CEO of the Oil and Gas Commission (or the Board in the event of an issue involving the CEO) in consultation with the Board Human Resources Committee Chair will make recommendations to the Board of Directors with respect to exemption requests either to waive or reduce this one-year restriction.

2.17 Appeal Process

An employee may appeal a ruling of a conflict of interest made under section 2.11 to the Commissioner (or the Board of Directors if the determination is involving the Commissioner directly). The Commissioner or Board of Directors, as the case may be, may appoint a neutral third party acceptable to the employee to hear the appeal.

2.18 Reporting Violations of the Code

Employees have a responsibility to report acts of fraud, misconduct relating to employment, and real or perceived conflict of interest of other employees or supervisors. Employees should report such acts to their immediate supervisor, HROD, Commissioner or the Chair of the Audit Committee as outlined in the Commission's Whistleblower Policy so that appropriate steps may be taken to address the issue. British Columbia Government and Services Employees' Union ([BCGEU](#)) and Professional Employees' Association ([PEA](#)) members should report violations in accordance with Article 32.12 in the BCGEU Agreement and Article 32.09 in the PEA Agreement.

No action shall be taken against an individual for making a complaint unless the complaint is made maliciously and without reasonable and probable grounds. Whenever possible, the name of the employee reporting such information will be kept confidential and no documentation regarding the reporting will be placed on the employee's personnel file.

2.19 Legal Proceedings

Employees must not sign affidavits to facts that have come to their knowledge in the course of their duties for use in court proceedings unless the affidavit has been prepared by a lawyer acting for the Commission in that proceeding. Employees are obliged (unless it involves the actual employee) to co-operate with lawyers defending the Commission's interests during legal proceedings.

APPENDIX "A"

FORM OF DECLARATION – COMMISSION'S EMPLOYEE CODE OF CONDUCT AND ETHICS POLICY

I ACKNOWLEDGE that I have read, considered, and understand the Commission's Employee Code of Conduct and Ethics and recognize that my complying with its terms and requirements is a condition of my employment with the Commission. I also certify that the information I have provided on this form as I know it, is accurate and true.

After consideration of the Commission Employee Code of Conduct and Ethics Policy (*please initial one of the options below*),

I, my spouse, and/or my-minor children do not directly or indirectly own any assets and interests other than the exempt assets/interests identified in the Code under Section 2.11.3.

My spouse as part of their compensation package own or possess assets or interests other than the exempt assets/interests identified in the Code under Section 2.11.3. I have completed the Financial Assets/Interests Disclosure Summary (Appendix B attached).

I, my spouse, and/or my-minor children do hold direct shares or interests in corporations registered as oil and gas operators in BC and plan to dispose of the shares or interests within 2 years. I have completed the Financial Assets/Interests Disclosure Summary (Appendix B attached), provided an assets disposal plan to the Commission and notified my supervisor of the requirement that they review inspections and decisions I work on relating to the BC oil and gas operators in which I, my spouse, and/or my-minor children holds direct shares or other interests.

I also agree not to purchase any further shares or interests of entities registered with the Commission as oil and gas operator.

I, my spouse, and/or my-minor children do hold direct shares or interests in corporations registered as oil and gas operators in BC. I have completed the Financial Assets/Interests Disclosure Summary (Appendix B attached), agree to abstain from working on any decisions or inspections relating to the BC oil and gas operators in which I, my spouse, and/or my-minor children holds direct shares or other interests.

I also agree not to purchase any further shares or interests of entities registered with the Commission as oil and gas operator.

Signature

Date

Print Name

Position

APPENDIX "B"

FINANCIAL ASSETS/INTERESTS DISCLOSURE SUMMARY

The Financial Assets/Interests Disclosure Summary is only required if an employee's spouse as part of his or her employment compensation package own or possess assets or interests other than the exempt assets/interests identified in the Code under Section 2.11.3.

Fill out applicable sections. (Attach additional pages if necessary)

Real Property Interests: List all interests in land held by you, your spouse, and/or minor children that have energy, utilities, or mineral rights or leases.

Address or legal description of property _____

Description of interest and any commercial activity directly or indirectly related to the Oil and Gas Commission (Commission) mission.

Approximate Value _____

Private Corporation: List any private corporations controlled by you, your spouse, or minor children, or any one or more of them that relate directly or indirectly to the Commission or with one or more of the companies the Commission regulates.

Name of corporation _____

Description _____

Owner (e.g., employee or spouse) _____

Approximate value _____

Private business interests: List all private business interests, including shares or debt in private corporations, interests in sole proprietorships, and joint ventures, held by you, your spouse, and/or minor children that do business with the Commission or with companies that the Commission regulates.

Name of business _____

Description of business _____

Description of interest _____

Value _____

Securities and Other Interests in Public Corporations: List all securities or other interests held by you, your spouse, and/or minor children held in public corporations, including self-directed RRSPs, and pension plans, that are directly or indirectly related to the mission of the Commission and/or companies that do business with the Commission or with companies that the Commission regulates.

Name of public corporation _____

Description of investment _____

Owner _____

Value (on disclosure date) _____

List any other significant liabilities, financial interests, and sources of income that may be a real or perceived conflict with the mission of the Commission.

Description _____

Value _____

Signature

Date

Print Name

Position