

# Director exemption procedure for the Code of Conduct - Issued July 2002

## Attachment 4B to Director and Employee Code of Conduct

This document sets out the procedure for a Director of BC Hydro or its subsidiaries to request an exemption from a provision of the Code of Conduct. An exemption will only be granted in extraordinary circumstances and where it is clearly in the best interests of BC Hydro or its subsidiary to do so.

### Who may make the request for an exemption?

A request for an exemption should be made in writing by a Director personally. In the case of a prospective Director, the request should be made by the President of BC Hydro, or the President of its subsidiary, as applicable, with the prospective Director's written consent.

### To whom should it be sent?

The request should be sent as follows:

1. if the request is by a Director of BC Hydro, it should be sent to the Chair of BC Hydro;
2. if the request is by the Chair of BC Hydro, it should be sent to the Chair of the Corporate Governance Committee of the Board of Directors of BC Hydro;
3. if the request is by a Director of a BC Hydro subsidiary, it should be sent to the Chair of BC Hydro through the Chair of the subsidiary.

If the request is made on behalf of a prospective Director, the President of BC Hydro or its subsidiary, as applicable, will first obtain the written consent of the prospective Director to the request. A copy of the request will be provided to the prospective Director.

A copy of each request should be sent to the Corporate Secretary and to the Code of Conduct Advisor.

### What information should be included in the request?

A request for an exemption should set out at least the following information:

1. a statement of the specific nature of the exemption being requested, including the provision of the Code from which the exemption is requested;
2. a full and complete statement of all material and relevant circumstances relating to the request being made. If the request is being made on behalf of a prospective Director, that individual should personally prepare and sign the statement;
3. the reasons why it may be considered appropriate to give the exemption. The Code requires that exemptions should only be given *"in extraordinary circumstances and where it is clearly in the best interests of BC Hydro to do so"*;
4. in the case of an exemption relating to an actual or apparent conflict of interest, a statement of the steps the Director will take or has taken to avoid participating in any way in any decision making or other activity relating to the subject matter of the conflict of interest.

**How will the decision be made?**

The Chair will make a decision and the Director, or prospective Director, will be advised in writing.

In the case of a request made to the Chair of the Corporate Governance Committee of the Board of BC Hydro, the Committee will make a recommendation to the Board for approval.

Conditions may be imposed on any exemption granted.

**Who else will be advised of the decision?**

A copy of the decision will be provided to the Corporate Secretary, the Code of Conduct Advisor and, if applicable, the Chair of BC Hydro's subsidiary.