

# Code of Business Conduct and Ethics & Whistleblower Procedures

SAGEN MI CANADA INC.

June 2021

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**SAGEN™**

## SUMMARY OF THE CODE'S PRINCIPLES<sup>1</sup>

### Protecting the Company's Assets, Resources and Data

- We have sensitive confidential information about Sagen<sup>2</sup>, other companies, our clients, borrowers, directors, officers and employees. Preserving the integrity of this information is vital to our business and reputation and is necessary to meet our obligations under data protection laws.

### Accuracy of Books and Records and Public Disclosures

- We should take care that our books and records are accurate and that all of our business transactions are properly authorized.
- As a public company, we have duties to our securityholders and must ensure that our communications and other disclosures to the market are timely, true and accurate.

### Duties to Stakeholders

- As an insurer, one's reputation is everything and we should act responsibly in dealings with our employees, securityholders, customers, borrowers, suppliers, other stakeholders and competitors.

### Communications and Media

- In this digital era in which we operate, be careful in your written communications made over Company information systems, such as email, as this is a permanent record.
- You must ensure that any of your online activities, including your use of online social media, are appropriate and reflect well on Sagen.

### Conflicts of Interest and Personal Behaviour

- Sagen is a national brand and as a representative of the Company your personal behavior must be consistent with our values.
- As a federally regulated financial institution and public company, be aware that we face heightened supervision. Your conduct will be subject to heightened scrutiny from regulators. Be aware and avoid situations where your personal interests conflict with, or appear to conflict with, the interests of the Company.

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<sup>1</sup> These principles are for summary purposes only. For more detailed information on each of these items consult the Code attached.

<sup>2</sup> Sagen is the doing business as names of Sagen MI Canada Inc. and is a trademark owned by Sagen MI Canada Inc.

## Positive Work Environment

- For everyone to do their best work on behalf of the Company, we should all do our part to maintain our respectful work environment where everyone feels safe and productive.
- Our success is dependent on establishing a workplace culture free from discrimination, violence, harassment and other negative influences.

## Compliance with Laws, Rules, Regulations and Policies

- We operate in many jurisdictions across Canada and are subject to different laws, rules and regulations; you need to be aware of the laws that apply to your activities so that you can comply with them; ignorance of the law is no excuse.
- The Company has corporate policies that you must be familiar with, as they govern our business practices, your trading activities, and other conduct while at Sagen.

## FREQUENTLY ASKED QUESTIONS

### Why do we have a code?

The Code serves as a guide for how you should conduct yourself as a member of the Sagen team. Preserving our corporate culture and ensuring compliance with legal, regulatory and fiduciary duties is vital to the organization and following the Code helps us do that.

### Who must follow the code?

All directors, officers, employees, contractors and temporary workers of Sagen MI Canada Inc. (“**MIC**”), and its wholly-owned subsidiaries, including but not limited to Sagen Mortgage Insurance Company Canada (“**SMICC**”) and MIC Insurance Company Canada, must follow the Code.

### What are your responsibilities?

You have two main responsibilities. First, you must follow every aspect of the Code and certify your commitment each year. Second, if you suspect someone may be violating the Code or the policies referred to herein, you have an obligation to report it. To make a report, follow the section of the Code: “Reporting Whistleblower Concerns and Potential Code Violations.”

## How will i know if there is a problem?

The Code attempts to deal with the most common issues that you may encounter, but it cannot address every question that may arise. When you're not sure what to do, ask yourself the following questions:

- Is it illegal?
- Does it feel like the wrong thing to do?
- Would you feel uncomfortable if others knew about it?
- Will it have the potential to create a negative perception of you or the Company?
- Do you have a personal interest that has the potential to conflict with the Company's interest?

If you answer "yes" to any of these questions your proposed conduct may violate the Code and you should ask for help.

## How should i ask for help?

If you have questions about the Code, any policies or guidelines referred to herein, or about the best course of action to take in a particular situation, you should seek guidance from your manager or internal legal counsel.

## What if i would like to make an anonymous report?

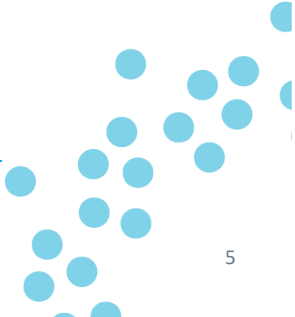
You may make an anonymous report by contacting the Company's whistleblower hotline, which is operated by an independent third party and is available 24 hours a day, 7 days a week. If you choose to make an anonymous report, your anonymity will be protected to the fullest extent possible as permitted by law. Keep in mind, however, that maintaining your anonymity may limit the Company's ability to investigate your concerns.

## What are the consequences for violating the code?

Violations of the Code or the policies and guidelines incorporated by reference herein can vary in its consequences. If you're an employee, it could result in a reprimand or other disciplinary action, including the termination of your employment at the Company for cause. If you're a director, a violation may necessitate your resignation. Certain violations of the Code also contravene applicable laws and therefore can have severe consequences outside of Sagen. Depending on your actions, failing to comply with the Code could lead to civil or criminal prosecution, which could result in substantial fines, penalties and/or imprisonment.

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## INTRODUCTION

This Code of Business Conduct and Ethics & Whistleblower Procedures (the “**Code**”) applies to all directors, officers and employees, contractors and temporary workers (collectively, “**you**”) of Sagen MI Canada Inc. and its wholly-owned subsidiaries, including but not limited to Sagen Mortgage Insurance Company Canada and MIC Insurance Company Canada (and collectively with Sagen MI Canada Inc., “**we**,” “**us**,” “**our**,” “**Sagen**” or the “**Company**”).

## STANDARDS OF BUSINESS CONDUCT

Sagen seeks to foster and maintain a reputation for honesty, openness, trust, integrity and professionalism. The confidence and trust placed in Sagen by customers, borrowers, investors and employees is something we value greatly and endeavor to protect. In many respects, our reputation is our most vital business asset. Accordingly, all of our activities should be conducted with honesty and integrity and in compliance with applicable legal and regulatory requirements.

We have adopted the Code and related policies and procedures in order to preserve our culture and to ensure compliance with legal, regulatory and fiduciary requirements applicable to our activities. We expect and require that you meet the letter and spirit of the Code (and related policies and procedures). This Code incorporates by reference corporate policies, guidelines and programs of the Company, which should be read in conjunction with the Code, including but not limited to:

- Records Retention Guideline;
- Disclosure Policy;
- Information Security Guide;
- Employee Data Privacy Policy;
- Data Security Breach Reporting Procedures;
- Insider Trading Policy;
- Anti-Harassment and Anti-Violence Policy;
- Occupational Health & Safety Policy;
- Travel and Expense Reimbursement Policy; and
- Social Media Guideline.

## PROTECTING THE COMPANY'S ASSETS, RESOURCES AND DATA

### ***The Company's assets are to be used only for legitimate business purposes only.***

The Company's assets are for business, not personal use. The Company's assets span many categories. Assets can be physical, tangible goods, such as office supplies, furniture, computers or intangible items, such as intellectual property. You have a responsibility to safeguard the Company's assets from loss, damage, theft, misuse and waste. If you become aware of loss, damage, theft, misuse or waste of our assets, or have questions about your proper use of them, you should speak with your manager. The Company's name (including its corporate letterhead and logo), facilities and relationships are valuable assets and must only be used for authorized Company business.

If you use the Company's assets for personal benefit, or are otherwise wasteful with the Company's assets, you may be in breach of your duty to the Company. You have a responsibility not to abuse Company resources for reimbursement. Any requests for reimbursement for authorized Company expenses must be for legitimate business expenses. If you are unsure whether a certain expense is legitimate, you should speak with your manager or refer to the Company's Travel and Expense Reimbursement Policy posted on the Sagen intranet.

### ***Confidential information must be protected at all times.***

We must protect the confidential information in our possession, including information about us, our customers, other companies and borrowers, from disclosure. Confidential information includes, but is not limited to, personal information about employees, customers, suppliers and borrowers, and business proprietary information, contained within all confidential memos, notes, lists, records and other documents in your possession, in hard and soft copy. All of these are to be delivered to the Company promptly after your employment ceases or at any time upon the Company's request, and your obligation to protect this information continues after you leave the Company. You must protect hard and soft copies of confidential information and property that are removed from the office (e.g., to be worked with at home or at external meetings).

It is important to use discretion when discussing or sharing Company business or information. This includes not discussing or sharing Company business or information internally, except with those individuals at the Company that are in a "need to know" position with respect to the information. Additionally, be careful not to discuss Company business in public places such as elevators, restaurants, and public transportation, or when using your phone or email outside of the office. You should also be careful not to leave confidential information in unattended conference rooms or in public places where others can access it. While at Sagen, if you become aware of confidential information about the Company or another entity that you know or suspect has been inadvertently disclosed, seek guidance from internal legal counsel before using or acting upon this information.

***Personal information held by or on behalf of the Company must be used in compliance with data protection laws.***

The Company collects personal information regarding individuals both inside the organization (i.e. employees) and outside the organization (i.e. borrowers) where we have the lawful basis for doing so. This is necessary to effectively and efficiently administer and manage the operation of our business. Personal information might include, among other things, sensitive personal, medical and financial information. Personal information will only be held by the Company for as long as we have a need to retain it.

Collection and use of personal information are subject to various legal and regulatory requirements. You must take all reasonable steps to ensure that personal information is kept confidential and accessed only by those individuals at the Company that have a need to know this information to carry out their duties. In addition, if it is necessary to the conduct of business to disclose personal information to a third party (e.g., so that a third party may provide services to the Company or receive services from the Company) then you must ensure that such transfer complies with applicable legal and regulatory requirements. This may include ensuring the third party is subject to a written agreement which contains confidentiality obligations and, where relevant, other obligations which must be included under the data protection laws of applicable jurisdictions in which we operate. In all other cases, you may only disclose personal data pursuant to a legal or regulatory requirement.

In the ordinary course, the Company transfers personal information between the jurisdictions in which the Company operates, as well as outside Canada. If you transfer personal data outside Canada then you must ensure that it is permissible for you to do so (e.g., consent has been given by the individual or an appropriate data transfer agreement has been signed). In addition, you should ensure that the personal information is protected in a manner that is consistent with how personal information is protected by the Company, and in any event in compliance with all applicable data protection laws.

You are responsible for ensuring that you understand and comply with our data protection/privacy policies. For more information about compliance with data protection laws refer to the Company's Information Security Guide and related policies posted on the Sagen intranet.

***Intellectual property belongs to the Company.***

During the course of your employment, you may be involved in the creation, development or invention of intellectual property such as concepts, methods, processes, inventions, confidential information and trade secrets, know-how, physical products, ideas, plans, programs, software, applications, code, works of authorship, trademarks, service marks and designs, alone or jointly with others, including but not limited to the improvement of existing intellectual property belonging to the Company. All such intellectual property and the rights therein shall be owned by the Company and your moral rights to such intellectual property, if any, will be waived. You are responsible for cooperating with the Company and providing all necessary assistance, including the preparation and execution of any necessary documentation such as assignments and applications to register rights before relevant government authorities on behalf of the Company, to ensure that all intellectual property and related rights become or are recognized as the exclusive property of the Company.



***The documents of the Company must be preserved.***

It is critical that you help preserve our business records, follow the guidelines set forth in the document retention policies and comply with related legal and regulatory requirements. If you are notified that your documents are relevant to an anticipated or pending litigation, investigation or audit, you must follow the guidance set forth in the notification you receive from legal counsel regarding retention of documents.

## ACCURACY OF BOOKS AND RECORDS AND PUBLIC DISCLOSURES

***Ensure that the books and records of the Company are complete and accurate and that all business transactions are properly authorized.***

The books and records of the Company must reflect all its transactions in order to permit the preparation of accurate financial statements. Employees must never conceal information from (i) an external auditor; (ii) an internal auditor; or (iii) the Audit Committee of the Company. In addition, it is unlawful for any person to fraudulently influence, coerce, manipulate or mislead an external auditor of the Company.

The Company's contracts and agreements govern our business relationships. Because the laws governing contracts and agreements are numerous and complicated we have put in place policies and procedures to ensure that any contract entered into by the Company has the appropriate level of approval. As a result, employees who enter into contracts or agreements on behalf of the Company must have proper authorization to do so and, prior to their execution, these documents must be reviewed by legal counsel.

***Ensure that the Company provides full, true and plain public disclosure.***

All employees who are responsible for the preparation of the Company's public disclosures, or who provide information as part of this process, must ensure that public disclosures of information are made honestly and accurately. Employees must be aware of and report any of the following: (a) fraud or deliberate errors in the preparation, maintenance, evaluation, review or audit of any financial statement or financial record; (b) deficiencies in, or noncompliance with, internal accounting controls; (c) misrepresentations or false statements in any public disclosure document, such as annual and quarterly reports, prospectuses, information/proxy circulars and press releases; or (d) deviations from full, true and plain reporting of the Company's financial condition.

Additionally, each person who is in a financial reporting oversight role, and their family members,<sup>3</sup> are prohibited from obtaining any tax or other services from the external auditor, irrespective of whether the Company or such person pays for the services.

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<sup>3</sup> For the purposes of this Code, "family members" are your spouse, partner, or other family members who live in the same dwelling as you.

## DUTIES TO STAKEHOLDERS

### ***Deal fairly with the Company's stakeholders.***

You must deal fairly with the Company's security holders, customers, clients, suppliers, other stakeholders and competitors. To preserve our reputation and relationship with stakeholders, do not engage in any illegal or unethical conduct when dealing with stakeholders or competitors.

## COMMUNICATIONS AND MEDIA

### ***Use the Company's various forms of communication properly and appropriately.***

All business matters that involve electronic, written communication must be conducted by employees on the Company's email system or through other systems provided and approved by the Company. You must at all times use our e-mail, internet, telephones and other forms of communication and resources appropriately and professionally. Employees must comply with our *Information Security Guide* and all applicable policies. While we appreciate the need for limited use of these tools for personal purposes, your use should not be excessive or detract from your work. Employees should not email business information to their personal email accounts or maintain a copy of business information on their personal computers or other non-work electronic devices. When using Company-provided technologies such as computers, cell phones and voicemail, you should not expect that the information you send or receive is private. Your activity may be monitored to ensure these resources are used appropriately, please refer to the *Information Security Guide*.

### ***Be cautious in your use of social media.***

The Company's social media policy requires that, unless you are expressly authorized, you are strictly prohibited from commenting, or posting about, or otherwise discussing the Company, its customers and clients, its employees, and its securities, investments and other business matters on all social media forums, including, but not limited to, social networks, chat rooms, wikis, virtual worlds and blogs (collectively, "**social media**"). You are a representative of Sagen when engaging in online activities and you must ensure that your behavior online, including on social media, is appropriate and consistent with our values. For further details on the appropriate use of social media, you should refer to the Company's *Social Media Guideline*.

### ***Do not speak on behalf of the Company unless authorized to do so.***

As a public company, it is important to ensure our communications to the investing public are: (a) timely; (b) full, true and plain; and (c) consistent and broadly disseminated in accordance with all applicable legal and regulatory requirements. You may not make public statements on Sagen's behalf unless you are expressly authorized to do so by the terms of your employment or the Disclosure Policy of the Company.

If a shareholder, financial analyst, member of the media or other third-party contacts you to request information, even if the request is informal, do not respond to it unless you are authorized to do so. In this event, refer the request to your manager or forward the request to an individual at the Company in investor relations or communications. For further information, you should refer to the *Disclosure Policy* of the Company.

## CONFLICTS OF INTEREST AND PERSONAL BEHAVIOUR

### ***Exhibit personal behaviour that reinforces a positive image of you and the Company.***

Your personal behavior, both inside and outside work, should reinforce a positive image of you, the Company and its business activities. It is essential to use good judgment in all your personal and business dealings. You should refrain from engaging in activities that could hurt the Company's reputation, or yours, and that could undermine the relationship of trust between you and the Company or the Company and its customers. Employees who have acted inappropriately may be subject to disciplinary action up to and including termination for cause.

### ***Remember your duties to Sagen when participating in outside personal interests; obtain permission before pursuing outside business activities outside the scope of your role with the Company.***

The Company encourages directors and employees to be active participants in their community. While pursuing personal, political, not-for-profit activities or other like activities, be mindful that your participation in any outside interest must not prevent you from adequately discharging your duties to Sagen and should not conflict with or otherwise be adverse to the Company's interest. In addition, ensure that when you are involved in these activities you are not seen to be speaking or acting on behalf of the Company without express authority.

"Outside business activities," otherwise known as "OBAs" include any business activities outside the scope of one's role with the Company, including any activity as an employee, independent contractor, sole proprietor, officer, director, or partner of another business organization, regardless of whether compensation is involved. Employees must receive approval from the head of their business function and the Company's internal legal counsel prior to accepting an OBA. Directors of the Company must advise the Chairman of the Board of Directors prior to taking on any OBAs. Prior approval is not required to serve on boards of charities or small, private family holding companies that have no relation to the Company. For greater clarity, approval is not needed to serve on the board of a family holding company which is an extension of one's personal business affairs; however, it is needed to serve on the board of a private operating business with significant operations. When in doubt as to whether you need to obtain permission, ask the Company's internal legal counsel.

### ***Avoid situations in which your personal interests conflict with the interests of the Company or its clients.***

A "conflict of interest" for this purpose occurs when a person's private interest inclines the person, consciously or unconsciously, or appears to incline the person to act in a manner which is not in the interests of the Company. You may have a conflict of interest if you are involved in any activity that prevents you from performing your duties to the Company properly, or that may create a situation that could affect your ability to act objectively, effectively and in the best interests of the Company, including due to among other things, personal interests or receipt of benefits from our relationships with companies, business partners, counterparties, investment banks, brokerage firms, service providers, and other constituencies. Accordingly, you must place the Company's interest in any business matter ahead of any personal interest. Remember that the Company's interest includes the Company's obligations to its stakeholders.

The best way to judge whether you may have a conflict of interest is to ask yourself whether a well-informed person would reasonably conclude that your interest could in any way influence your decision or performance in carrying out a duty on behalf of the Company. To avoid conflicts of interest, identify potential conflicts when they arise and contact internal legal counsel if you are unsure whether a conflict exists. Directors should consult with the Chairman of the Board of Directors on conflicts matters. In addition, if you become aware of any conflict or potential conflict of another director, officer or employee, you should consult with internal legal counsel or the Chairman of Board of Directors, as appropriate.

***Do not take corporate opportunities as your own personal opportunities.***

You are prohibited from taking personal advantage of a business or investment opportunity that you become aware of through your work at Sagen. You owe a duty to the Company to advance its interests when the opportunity arises, and you must not compete with the Company in any way. Additionally, your personal trading activities must comply with the Company's *Insider Trading Policy*.

## Positive Work Environment

***Be committed to our respectful work environment free from discrimination<sup>4</sup>, violence<sup>5</sup> and harassment<sup>6</sup>.***

The Company does not tolerate workplace discrimination, violence or harassment. All directors, officers and employees must work to ensure that the Company is a safe and respectful environment where high value is placed on integrity, fairness and respect. For more information on the company's commitment to its positive work environment, refer to the Company's *Anti-Harassment and Anti-Violence Policy*.

***You have a duty to report discrimination, violence and harassment.***

If you experience or become aware of what you believe to be discrimination, violence or harassment, you are expected to report it in accordance with the "Reporting Whistleblower Concerns and Potential Code Violations" section of the Code and/or in accordance with the *Anti-Harassment and Anti-Violence Policy*. Reports of discrimination, violence or harassment will be taken seriously and investigated. If you are found to be discriminating against, acting or threatening to act violently towards, or harassing any individual at Sagen, or if you knowingly condone the discrimination of, violence towards, or harassment of another individual, you will face corrective action up to and including termination without notice and for cause.

We want to create a culture of reporting when it comes to discrimination, violence and harassment, as reporting is essential for us as a Company to stamp out these behaviors. While we reserve the right to

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<sup>4</sup> "Discrimination" means the differential treatment of an individual or group based on prescribed characteristics protected by law. Prescribed characteristics generally include age, color, race, religion, sex, gender, marital status, ancestry, sexual orientation, national origin, disability. It does not matter whether the discrimination is intentional; it is the effect of the behaviour that matters.

<sup>5</sup> "Violence" means an action (oral, written or physical) which causes, is intended to cause, could reasonably be interpreted as a threat to cause, or is capable of causing death or bodily injury to oneself or others, or property damage.

<sup>6</sup> "Harassment" means conduct which is known or ought reasonably to be known to be unwelcome and includes conduct (e.g., comments and actions) which would be perceived by a reasonable person as being hostile, humiliating or abusive or cause him/her torment. Harassment covers a wide range of conduct and includes sexual harassment, bullying and psychological harassment. Harassment may occur in a variety of ways and may, in some circumstances, be unintentional, but regardless of intent, all harassment negatively affects individual work performance and our workplace as a whole.

take corrective action if you knowingly make a false accusation about an innocent party, however you will not face retaliation for making a good faith report or assisting in the investigation of a report.

***Be committed to ensuring the health and safety of fellow directors, officers and employees.***

We all have the right to work in an environment that is safe and healthy. In this regard, you must:

- I. comply strictly with all occupational, health and safety laws and internal procedures;
- II. not engage in illegal or dangerous behaviour, including any acts or threats of violence;
- III. comply with the *Drug & Alcohol Policy*; and
- IV. not possess or use weapons or firearms or any type of combustible material in the Company's facilities, or at Company-sponsored functions.

If you or someone you know is in immediate danger of serious bodily harm, first call local law enforcement authorities and then report the incident in accordance with the "Reporting Whistleblower Concerns and Potential Code Violations" section of the Code and/or in accordance with the Anti-Harassment and Anti-Violence Policy.

***Expect fair treatment from the Company in its dealings with you.***

We ask you to give your best every day — to colleagues, to customers and borrowers, and to securityholders. In return, you should expect:

- i. Employment-related decisions at Sagen to be based solely on relevant job qualifications (education, experience, knowledge etc.) and individual merit (achievements, performance, demonstrated competencies, conduct etc.);
  - ii. A respectful work environment, free of unlawful harassment; and
  - iii. Appropriate handling of your personal information.
- a) Sagen is committed to observing all applicable labor and employment laws, including those laws that pertain to freedom of association; privacy; prohibition of forced, compulsory, and child labor; and employment discrimination. However, equally as important, we strive to create a work environment in which you can learn, grow, and feel valued. We believe that our commitment to fair employment practices promotes a culture of inclusion, tolerance, and respect, qualities that are essential to both our success in the marketplace and our ability to impact the communities where we live and work.
  - b) Use fair employment practices in your duties for the Company.
  - c) In making employment related decisions use relevant qualifications (for example, education, experience, or competencies), other job-related criteria, and individual merit (achievements, performance, demonstrated competencies, conduct etc.) as the sole bases for all employment-related decisions affecting employees and applicants. Make all employment-related decisions without regard to race, color, national origin, religion, gender, age, disability, veteran status, genetic information, sexual orientation, gender identity, marital status, or any other characteristic protected by applicable law.
  - d) You should not engage in the following activities:

- i. refuse to work or cooperate with a person based on his/her race, gender, religion, or any other protected characteristic;
- ii. make unwelcome sexual advances directed toward an employee or person with whom you work;
- iii. make jokes, take or distribute pictures, videos, or objects that ridicule or reasonably would be expected to offend individuals, including those of a particular gender, race, ethnic group etc.;
- iv. retaliate or make a threat of retaliation against any employee for reporting a concern or participating in the review of a concern; or
- v. make unauthorized disclosure of employment data to a person who does not have a legitimate business need for the information.

### ***Human Rights***

We are committed to conducting business in an ethical and responsible manner, including by carrying out our activities in a manner that respects and supports the protection of human rights through the elimination of discrimination in employment; and the eradication of harassment and physical or mental abuse in the workplace. We strive to embed these standards into all of our core business activities, including training, communications, contracts and due diligence processes as appropriate. These practices extend to our interactions with our key suppliers and other business partners.

## **COMPLIANCE WITH LAWS, RULES, REGULATIONS AND POLICIES**

***Know and comply with all laws, rules, regulations, policies and procedures applicable to your position.***

Our business is highly regulated, and the Company is committed to compliance with applicable laws, rules, regulations and policies. Each of us must recognize our personal obligations as individuals, to understand and comply with the laws, rules, regulations and policies that apply to us in the conduct of our duties, including those that apply specifically to public companies, insurance companies and federally regulated financial institutions, as well as laws with broader applicability such as prohibitions on insider trading and other forms of market abuse.

Many of the Company's activities are governed by laws, rules, regulations and policies that are subject to change. If you have questions about the applicability or interpretation of certain laws, rules, regulations, policies or procedures relevant to your duties at Sagen you should consult with your manager or the Company's internal legal counsel. In the event a local law, custom or practice conflicts with the Code you must adhere to whichever is most stringent. If you know of any of our practices that may be illegal, you have a duty to report it. Ignorance of the law is not, in general, a defense to breaking the law. We expect you to make every reasonable effort to become familiar with the laws, rules, regulations and policies affecting your activities and to comply with them. If you have any doubts as to the applicability or interpretation of any of the above, you should obtain advice from the Company's internal legal counsel.

***Be mindful of Competition laws when interacting with Competitors***

Sagen operates in an environment with strict competition laws that require careful consideration. Violations of competition laws can lead to significant penalties. Always comply with: all applicable competition laws, policies, and treaties; all competition decrees, orders, and undertakings that affect Sagen and its employees; and specific procedures that govern (a) competitor contacts, (b) obtaining or handling business intelligence, and (c) participation in trade associations, professional societies, standards development or product certification organizations.

Do not propose or enter into any agreements or understandings — expressed or implied, formal or informal, written or oral — with a competitor regarding any aspect of the competitive process for sales, for example prices, bid coordination, products, services, terms or conditions of sales, sales volume, sales territories, market share, distribution channels, cost structures, profits, and profit margins. Do not propose or enter into any arrangements involving exclusivity, product or service bundling, selective discounting, rebating, or distribution with competitors. Immediately stop and withdraw from any discussion with a competitor that you deem questionable and promptly inform internal legal counsel or the Chief Compliance Officer. Do not ask a Sagen employee or contractor to disclose competitively sensitive information about a prior employer. Consult with internal legal counsel early in the process of evaluating any proposed merger, acquisition, joint venture, or other business arrangement that could involve competition law issues.

***Do not trade in the Company's securities and in any other publicly-traded securities if you possess material non-public information.***

While at Sagen, you may have access to or become aware of material non-public information,<sup>7</sup> either about Sagen, or a related or unrelated publicly-traded entity. You must not use this information to gain a financial advantage for yourself or others, either by way of making a trade for yourself, “tipping” others on the information (i.e., disclosing the information to others such as relatives or friends) or otherwise. Doing so is not only a violation of the Code that could result in immediate termination for cause but is also a serious violation of securities laws and will expose any individuals involved to potential civil and criminal prosecution.

Prohibitions on trading in Sagen securities may apply when a Sagen entity is in a quarterly blackout period relating to the release of its earnings, or when it is in a special blackout period. Information on blackout periods can be obtained via the Company's Insider Trading Policy available on the Company's intranet.

If you have questions about securities laws or the Company's internal trading policies and procedures, contact the Company's internal legal counsel or refer to the Insider Trading Policy.

***Depending on your role at the Company, you may have to pre-clear trades or avoid trading altogether.***

There are certain categories of employees under Sagen's *Insider Trading Policy* that must pre-clear their trades (and those of family members who live in the same dwelling) in Sagen securities. For more information about trading preclearance refer to the Company's *Insider Trading Policy*.

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<sup>7</sup> Information about an entity is “material” if there is a substantial likelihood that a reasonable investor would consider the information important when deciding to buy, sell or hold that entity's securities or if the information would reasonably be expected to result in a change in the market price or value of the securities. Information is “non-public” until it has been generally disclosed to the public and adequate time has passed for the securities markets to analyze the information. If you are not sure whether information is material or non-public, consult with internal legal counsel for guidance.

***Do not give or receive bribes, including “facilitation payments”.***

We value our reputation for conducting business with honesty and integrity. It is vital for us to maintain this reputation as it generates confidence in our business by our stakeholders, which ultimately means it is good for business. We do not pay bribes in furtherance of our business, either directly or indirectly, and you are not permitted to pay bribes on our behalf or authorize others to pay bribes on our behalf. This commitment comes from the highest levels of management and you must meet this standard. A bribe is anything of value that is offered, promised, given or received to improperly influence a decision or to gain an improper or unfair advantage in promoting, enhancing, obtaining or retaining business. Bribery may not always be in the form of cash payments and may take many other forms, including gifts, travel, hospitality, political contributions, charitable donations, employment opportunities, internships, and secondments. Facilitation payments<sup>8</sup> are also a form of bribe and are therefore not permitted.

Sagen does not permit improper payments in any of our business dealings, whether with government officials or in the private sector, and will not tolerate business practices that involve bribery or corruption in any form. We strive to avoid even the appearance of impropriety in this regard. Anyone who works on our behalf (e.g., any third-party representative - such as a consultant, agent, external attorney, sales representative, or independent contractor) also must comply with all applicable anti-corruption laws, and this policy.

***Giving or receiving gifts/entertainment should be reasonable, and in certain cases prohibited.***

Gifts and entertainment given to or received from persons who have a business relationship with the Company are generally acceptable, if the gift or entertainment is modest in value, appropriate to the business relationship, does not create an appearance of impropriety or does not violate any applicable laws. No cash or cash equivalent payments should be given or received. In addition, gifts must not be given to or received from public officials. Employees who do not comply with these requirements may be required to reimburse the Company for the value of any gifts or benefits they make or receive on behalf of the Company. For further details, refer to Company’s *Giving or Receiving of Gifts Guideline*.

***There may be restrictions on your political donations to candidates and political parties.***

Political donations made on behalf of the Company are prohibited. Political donations made by individuals on their own behalf should comply with local laws and regulations. In Canada various laws and regulations impose specific restrictions and rules with respect to political contributions, both those made on behalf of a corporation or made by individuals on their own behalf, which can carry significant penalties for the Company for violations.

***We must prevent the use of our operations for money laundering or any activity that facilitates money laundering, the financing of terrorism, or other criminal activities.***

As a federally regulated financial institution, the Company is both required and is strongly committed to preventing the use of its operations for money laundering, the financing of terrorism, or other criminal activities,

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<sup>8</sup> Facilitation payments are small payments made to secure or speed up routine actions or otherwise induce public officials or other third-parties to perform routine functions they are otherwise obligated to perform, such as issuing permits, approving immigration documents or releasing goods held in customs. This does not include legally required administrative fees or fees to fast-track services.



and will take appropriate actions to comply with applicable anti-money laundering laws. Jurisdictions may publish lists of individuals and organizations that the Company is prohibited from accepting funds from or distributing funds to under applicable anti-money laundering laws. Employees are expected to use reasonable care to verify that counterparties are not owned or controlled by, or acting on behalf of, sanctioned governments, groups, individuals or others. This may include requiring counterparties to make anti-money laundering representations in documents with the Company. Internal legal counsel must be engaged to assist with any such matters.

***You should consider your rights and obligations when providing information to governmental authorities.***

Either during or following your employment or directorship at Sagen you may be contacted by governmental authorities (e.g. law enforcement, securities regulators, etc.) who are seeking confidential information from you which you obtained through your association with Sagen. Whether you are able to respond to these questions or not, we strongly recommend that, for your own protection, you do not speak with authorities without first seeking legal advice on your rights and obligations. In this situation, you may contact the Company's internal legal counsel who can help you retain counsel that can assist you.

Notwithstanding the foregoing, nothing in the Code prohibits or restricts you in any way from providing information to a government authority pursuant to applicable whistleblowing regulations.

***You have internal reporting obligations in the event you are convicted of a violation of certain laws.***

We are only as good as our people, and therefore our reputation depends on the reputation of the individuals who serve the Company as a director, officer or employee. Our screening process at Sagen is rigorous and includes background checks so that we have the best information possible about our prospective directors, officers and employees. Once at Sagen, we expect you to continue to adhere to these principles of openness, honesty and transparency. If at any time while you are associated with the Company you are convicted of violating a criminal or securities law or are involved in any conduct that you think may be relevant to your reputation, you have an obligation to report this information to internal legal counsel or your manager so that it may be appropriately documented internally.

## REPORTING WHISTLEBLOWER CONCERNS AND POTENTIAL CODE VIOLATIONS

Sagen is dedicated to ensuring procedures are in place to receive and address complaints regarding accounting, internal accounting controls or auditing matters, illegal activity and potential violations of this Code. This code has therefore been established by the Board of Directors to provide for a confidential, anonymous submission process to exist for directors, officers and employees who have concerns regarding such matters and to promote a climate of accountability within the Company.

***You have a responsibility to report.***

It is the responsibility of all directors, officers and employees, including contract employees and consultants to report any wrong doing or violations or suspected violations under this Code and related policies, including those relating to accounting, internal accounting controls, questionable accounting or auditing matters, applicable laws and regulations, and this Code. Examples of issues to be reported include:

- i. Accounting, internal accounting controls and auditing matters, including complaints regarding attempted or actual circumvention of internal accounting controls or complaints regarding violations of the Company's accounting policies, such as: fraud; theft; accounting irregularities, Financial Statement disclosure issues; non-compliance with internal accounting controls; or falsification of Company records;
- ii. Violations of, or noncompliance with, legal and regulatory requirements, such as: insider trading violations; and breaches of other applicable laws;
- iii. Violations of the Code; and
- iv. Retaliation against persons who make reports under this Code.

When making a report, please include specific details and back-up documentation where feasible in order to permit adequate investigation of the concern or conduct reported. Vague, nonspecific or unsupported allegations are inherently more difficult to pursue.

***You will not experience retribution or retaliation for a report made in "good faith".***

No retribution or retaliation will be taken against any person who has filed a report based on the reasonable good faith belief that a violation of the Code has occurred or may in the future occur; however, making a report does not necessarily absolve you (if you are involved) or anyone else of the breach or suspected breach of the Code. The Company reserves the right to discipline you if you provide false information or make an accusation you know to be untrue. This does not mean that the information that you provide has to be correct, but it does mean that you must reasonably believe that the information is truthful and demonstrates a possible violation of the Code. If you believe that you have been unfairly or unlawfully retaliated against, you may file a report with your manager or the Company's internal legal counsel, or by calling the whistleblower hotline.

### ***How to make a report***

Complaints or concerns about the Company should be submitted to an employee's reporting manager, the Company Ombudsman, any of the Company's legal counsel, or the chair of the Audit Committee on a confidential and anonymous basis as follows:

- i. by mail or courier to one of the above persons, marked Private and Confidential
- ii. by email to one of the above persons or to the whistleblower email address at: [Ombudsman@sagen.ca](mailto:Ombudsman@sagen.ca)
- iii. by telephone to the confidential whistleblower hotline at: 905 287 5510; or
- iv. via ConfidenceLine, a third party whistleblower provider at: 1 800 661 9675 or [sagen.confidenceline.com](http://sagen.confidenceline.com)

### ***Reports will be kept confidential and will be dealt with appropriately.***

The Company will treat all reports as confidential and privileged to the fullest extent possible. The Company will endeavour to keep confidential the identity of any person making a disclosure under this procedure until a formal investigation is launched. Thereafter, the identity of the person making the disclosure may be kept confidential, if requested, unless such confidentiality is incompatible with a fair investigation or unless such disclosure is required by law. In such instances, the person making the disclosure will be so informed in advance of his or her being identified with the disclosure. Where disciplinary proceedings are invoked against any individual following a disclosure under this procedure, the person subject to such proceedings will normally be entitled to know the name of the person making the complaint.

The Company encourages individuals to put their name on any disclosure they make, as it will assist with any investigation, however any person may make anonymous disclosure. In responding to anonymous disclosure, the Company will pay due regard to fairness to any individual named in the disclosure, the seriousness of the issue raised, the credibility of the information or allegations in the disclosure and the prospects of an effective investigation and discovery of evidence. A non-identifiable third party email address may be used to maintain anonymity.

## **HANDLING OF REPORTS**

The applicable person receiving the complaint will engage the Company's legal counsel, if appropriate, and together such parties will determine the type of investigation to be performed. All reports submitted will be investigated as quickly as possible, and appropriate corrective action will be taken if warranted by the investigation. If legal counsel determines that an investigation is warranted, legal counsel will promptly investigate the report and communicate the results of the investigation, including the description of the report, the investigation process, and the recommendations for corrective action, if applicable, to the Audit Committee. Legal counsel will have the discretion to engage all necessary subject matter experts, such as independent auditors, outside legal counsel or other experts to assist in the investigation and in the analysis of results. Legal counsel may also delegate the responsibility over the investigation of reports to the appropriate management function, such as human resources or internal audit.

Legal counsel will provide the Audit Committee of the Board of Directors with quarterly reports of incidences under this policy and will provide details on the status of such incidences and whether further investigation is warranted. At any time the Audit Committee may, in its discretion, determine that the Audit Committee or its designee, and not the Company's legal counsel, should initiate and/or assume the investigation of any report. In such instances, the Audit Committee may retain independent legal counsel, accountants or others to assist it in its investigation. The Audit Committee may require the assistance of the Company's management or any other employees of the Company in investigating and resolving any report. Subject to the discretion of the Board of Directors, the Audit Committee will have the authority to direct that the appropriate corrective action be taken by the Company in response to any particular report.

Matters that are not escalated to the Audit Committee of the Board of Directors will be handled by the Company's legal counsel, who shall ensure that all reports are handled and closed, as appropriate under the circumstances.

The Audit Committee of the Board of Directors shall have unlimited access to all whistleblower reports received, irrespective of whether these reports have been escalated to the Audit Committee of the Board of Directors, provided that such reports do not implicate the Audit Committee or the investigation of the Audit Committee. In such circumstances the Board of Directors as a whole shall have access to such reports.

In the event a report involves or implicates a member of the Company's legal counsel, another member of the Company's legal counsel may investigate the matter, provided such person is not also implicated in the report. The recipient of such report will promptly inform the Chairman of the Audit Committee in writing. The Audit Committee may thereafter remove any or all of the Company's legal counsel from the investigation and appoint other independent legal counsel to investigate the report.

If, on examination, the concern, issues or facts raised or alleged in any disclosure are judged to be wholly without substance or merit, the matter may be dismissed and the whistleblower informed of the decision and the reasons for such dismissal. If it is judged that the allegation(s) or issue(s) covered in the disclosure have merit, the matter shall be dealt with in accordance with this Code, the Company's normal disciplinary procedures, and/or as otherwise may be deemed appropriate according to the nature of the case.

## RETENTION OF RECORDS

The Company's legal counsel will maintain a record of all concerns or complaints received pursuant to this policy, tracking their receipt, investigation and resolution. The records will be retained for a period of time judged to be appropriate by such legal counsel based on the nature of the concern and in compliance with applicable laws and the Company's document retention policies.

## DISCIPLINARY ACTION FOR CODE VIOLATIONS

Please note that we reserve the right to take disciplinary action for Code violations that fits the nature and particular facts of the violation. This could include immediate termination for cause and, if warranted, legal proceedings may be brought against you.

## STATEMENT OF COMPLIANCE

Upon starting at Sagen, each director, officer, employee and temporary worker who is subject to this Code will be provided with a copy of the Code and policies referred to herein and is required to sign an acknowledgement. The acknowledgement is maintained by the Company's Human Resources or Legal and Compliance department. On an annual basis, each director, officer, employee and temporary worker who is subject to this Code will be required to re-certify compliance with the Code. **Annual execution of a Statement of Compliance with the Code and policies referred to herein or an annual certification of the Code shall be a condition of your continued directorship, employment or engagement with the Company.**

## WAIVERS

A waiver of the Code will be granted only in very exceptional circumstances. A Code waiver for Sagen's employees, other than Sagen's senior vice-presidents, must be approved by the CEO. A Code waiver for Sagen's Board of Directors, President & CEO or senior vice-presidents must be approved by the Chairman of the Board.

## AMENDMENTS

Sagen's Board of Directors reviews and approves the Code on a regular basis and is ultimately responsible for monitoring compliance with the Code.

## LEGAL NOTICE

The Company reserves the right to modify, suspend or revoke the Code and any related policies, procedures, and programs at any time. The Company also reserves the right to interpret and amend the Code and these policies in its sole discretion. Any amendments to the Code will be disclosed and reported as required by applicable law.

Neither the Code, nor any of the policies referred to herein, confer any rights, privileges or benefits on any employee, create an entitlement to continued employment at the Company, establish conditions of employment for the employee, or create an express or implied contract of any kind between employees and the Company. In addition, the Code does not modify the employment relationship between employees and the Company.

The Code is posted on our website and intranet. The version of the Code on our website and intranet may be more current and supersedes any paper copies, should there be any discrepancy between paper copies and what is posted online.

## CONTACT INFORMATION

Email address: [Ombudsman@sagen.ca](mailto:Ombudsman@sagen.ca)

Whistleblower hotline: 905 287 5510

Confidence Line, a third party whistleblower provider at: 1 800 661 9675 or [sagen.confidenceline.com](http://sagen.confidenceline.com)

## Internal Contacts

### **Chairman of the Board**

David Nowak  
2060 Winston Park Drive, Suite 300  
Oakville, Ontario L6H 5R7

### **SVP, General Counsel, Ombudsman & Chief Compliance Officer**

Winsor Macdonell  
2060 Winston Park Drive, Suite 300  
Oakville, Ontario L6H 5R7  
Email: winsor.macdonell@sagen.ca  
Telephone: 905 287 5484

### **Chair of the Audit Committee**

Neil Parkinson  
2060 Winston Park Drive, Suite 300  
Oakville, Ontario L6H 5R7

### **VP, Associate General Counsel, & Privacy Officer**

Robert Piroli  
2060 Winston Park Drive, Suite 300  
Oakville, Ontario L6H 5R7  
Email: robert.piroli@sagen.ca  
Telephone: 905 287 5264

## SCHEDULE A

### Code of Business Conduct and Ethics Statement of Compliance

***All directors, officers and employees must complete this Statement of Compliance or certify the Company's electronic Statement of Compliance through the Company's web-based compliance program.***

I have received, reviewed and understand the Code of Business Conduct and Ethics (the "Code") of Sagen MI Canada Inc. and its subsidiaries, including Sagen Mortgage Insurance Company Canada and MIC Insurance Company Canada (collectively "Sagen") for directors, officers and employees.

I hereby agree to comply with the Code, including its provisions for nondisclosure of information both during and after appointment or employment.

To the best of my knowledge, I am not involved in any situation that conflicts or might appear to conflict with the Code.

I also agree to notify my manager, the Chief Compliance Officer, internal legal counsel, or in the case of directors, the Chairman of the Board of directors, immediately of any change that might adversely affect my compliance with the Code.

**Name:**

\_\_\_\_\_  
*(Please print)*

**Position Title:**

\_\_\_\_\_

**Date and Signature:**

\_\_\_\_\_  
*(mm/dd/yy)*

\_\_\_\_\_  
*(Signature)*