

OLG Internal

Insider Trading & Tipping Prevention Guide

Governance, Legal & Compliance

December 19, 2023

Purpose

This Guide describes the approach, requirements and responsibilities that form OLG's Insider Trading & Tipping Prevention Program (the Program) under the Ethics & Compliance Framework to:

- a) Prevent Insider Trading and Tipping to support an organizational culture of integrity by promoting ethical behaviour, and
- b) Promote compliance with the *Public Service of Ontario Act, 2006* and related Regulations (collectively the "PSOA"), *Ontario Securities Act* (the "OSA"), the Board of Directors' Code of Ethics and Conduct and OLG's Code of Business Conduct and Conflict of Interest Rules (collectively "the Code").

Application and Scope

This guidance applies to all Employees and Board Members.

Trading restrictions prescribed under this guidance relate to entities doing business with OLG that are publicly traded or have a parent/affiliate company that is publicly traded. This includes entities participating in a procurement or negotiating a proposed contract with OLG which is significant to that entity.

Trading restrictions do not:

- a) extend to family members of OLG employees and Board Members, and
- b) apply to certain transactions including Private Investments and Exempt Trades (such as those in mutual funds).

Under the OLG Policy Framework, OLG Standards, including requirements prescribed in this Guide, are required to be complied with and adhered to by applicable employees.

Policy Statement

As an agency of the provincial government, Ontario Lottery and Gaming Corporation (OLG) is subject to the PSOA, including Conflict of Interest Rules which are reinforced through OLG's Code of Business Conduct. Certain obligations set forth under the PSOA for ethical conduct overlap with those of the OSA related to Insider Trading and Tipping.

These legal and ethical obligations form the regulatory framework that prohibits employees and Board Members from using or disclosing material non-public information (MNPI) obtained through the course of their employment, except as reasonably required to fulfil their official duties.

Insider Trading and Tipping are serious offences under the law. Unauthorized use or disclosure of material non-public information for personal gain represents a breach of OLG's Code, may contravene the OSA and the following PSOA requirements:

- Sec 65(3) - public servants have a duty to notify their ethics executive if the public servant has a personal or pecuniary interest that could raise an issue under the conflict of interest rules. Therefore, OLG employees that trade in securities of select companies could be perceived as having a conflict of interest.
- Sec 108(1) - wrongdoing means directing or counselling wrongdoing; and encompasses the contravention of any Act or regulation. Wrongdoing must be disclosed and would apply to infringements of the OSA given the broad reach the PSOA requirement.

Real or perceived incidents of Insider Trading or Tipping are likely to be viewed as unethical. Unethical behaviour may diminish OLG's reputation and public trust.

If we have questions about our obligations relating to personal securities trading, we should contact our Ethics Executive or the Ethics & Compliance Program Office (personaltrading@olg.ca) prior to taking any action that may constitute Insider Trading or Tipping.

Definitions

Affiliated Company: A company is deemed to be an affiliate of another company if one of them is the subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same person or company.

Code of Business Conduct and Board Code of Ethics and Conduct (“The Codes”): sets out principles-based guidance on the standards of ethical conduct that everyone at OLG is expected to meet, including acting with integrity, recognizing, managing and avoiding conflicts of interest and complying with Law

Conflict of Interest: A conflict of interest arises when an employees or Board Members personal or business interests may be, or may reasonably be perceived to be, in conflict with his or her responsibilities as an OLG employee or Board Member.

Division: Any OLG organizational structure led by a Senior Vice President or Executive Vice President. Each Division contains departments that are subject to the restrictions in this Guide.

Employee: Every person, whether employed on a full-time or part-time basis, who receives compensation from OLG through its payroll system.

Ethics & Compliance Framework (ECF): establishes OLG’s approach, requirements and responsibilities to promote compliance with regulatory obligations (Appendix A).

Exempt Trade: A trade in securities by or on behalf of an employee that is exempt from restrictions in this Guide. A list of Exempt Trades is set out in Appendix C.

Grey List Protocol (GLP): From time to time, OLG discusses potential business relationships with a publicly traded entity which may lead to OLG receiving or creating material non-public information (MNPI) – sometimes referred to as “inside information” - about the publicly traded entity. The GLP is designed to help ensure that OLG employees and Board members do not inadvertently trade in securities of entities while in possession of material non-public information about those entities whereby a commercial business relationship has not yet been formalized through a contractual agreement but is **being contemplated as a new business development**.

Insider Trading: The illegal purchase or sale of a publicly traded security by, or on behalf of, an OLG employee or Board Member in a Trading Account with knowledge of a material fact or material change (“Insider information”) that has not been generally disclosed to the public.

Material Non-Public Information (MNPI): Material non-public information is any information that has not been generally disclosed by an issuer, relating to the business and affairs of an issuer that if disclosed, results in or would reasonably be expected to result in a significant change in the market price or value of any of the issuer’s listed securities. Material information consists of both material facts and material changes relating to the business and affairs of an issuer. “Material facts” and “material changes” are facts, business decisions or other changes in the business, operations or capital of the Issuer that would reasonably be expected to have a significant effect on the market price or value of the Issuer’s securities. Examples of MNPI are listed in Appendix B.

Private Investments: Holding equity in an entity that is not a reporting issuer.

Restricted Entity: A publicly traded entity of which designated Restricted Persons are prohibited from buying or selling in a Trading Account, securities of that entity because of the business relationship between OLG and the publicly traded entity. Refer to InsideOLG for a list of [Restricted Entities](#).

Restricted Person: An OLG employee or Board Member who is prohibited from buying or selling securities of a Restricted Entity, other than those trades classified as Exempt Trades. Restricted Persons may have access to MNPI about Restricted Entities or work with or in close proximity to, OLG employees with potential access to MNPI regarding Restricted Entities and can view written information or hear discussions relating to such MNPI. Refer to InsideOLG for more information about [Restricted Persons](#).

Securities: This Guide adopts the definition of “securities” in the OSA, which includes shares, bonds, options and investment contracts.

Subsidiary Company: A company is deemed to be a subsidiary of another company if,

- (a) it is controlled by,
 - (i) that other company, or
 - (ii) that other and one or more companies each of which is controlled by that other, or
 - (iii) two or more companies each of which is controlled by that other; or
- (b) it is a subsidiary of a company that is that other’s subsidiary.

Tippling: Informing another person of MNPI with respect to a publicly traded entity that has not been generally disclosed to the public, other than as required in the necessary course of business.

Trading Account: All brokerage accounts of an OLG employee or Board Member for which they have trading authority or indirectly influences specific securities trading. Accounts are not Trading Accounts if they are:

- a) managed by a portfolio manager on a discretionary basis, or held in a blind trust, if the employee does not have trading authority and does not influence specific trades made for the account,
- b) held in the employee’s name, alone or jointly with another person, if the employee does not have trading authority and does not influence specific trades made for the account; or
- c) non-brokerage accounts in which only Exempt Trades are permitted (e.g. accounts with a mutual fund dealer, a bank, or an insurance company).

Requirements

Four key pillars, namely the Restricted Entities List, Restricted Persons List, employee awareness and disclosure are essential elements of the Program.

Implement Policies, Procedures & Controls (PPC)

1.1 OLG Divisions must implement controls to protect and limit access to sensitive/confidential business information that could be categorized as MNPI. These measures include limited distribution of MNPI and secure storage of physical and electronic documents that contain MNPI. Compliance & Investigations and SMEs will provide advice and recommendations to help ensure policies, procedures and controls are reasonably appropriate and consistent across the enterprise.

1.2 Compliance & Investigations must create and maintain the **Restricted Entities List (REL)** and publish the REL in a location that is accessible to employees and Board Members.

Compliance & Investigations will evaluate legal and reputational risk when proposing that an entity be classified as a Restricted Entity having regard to the following principles:

- 1.2.1.1 whether OLG could receive MNPI about a publicly traded entity from the entity or its Affiliates,
- 1.2.1.2 whether OLG could create MNPI about the entity, and

- 1.2.1.3 the significance of the business relationship between OLG and the publicly traded entity as it relates to the possible perception of impropriety should an OLG employee trade in the securities of that entity.

1.3 Compliance & Investigations must maintain the **Restricted Persons List (RPL)** to identify positions and departments that present a higher risk of receiving or creating MNPI and therefore should be subject to increased trading restrictions. Compliance & Investigations will recommend positions and departments having regard to the following principles:

- 1.3.1.1 Is the position in a department that would have, or be expected to, obtain or create MNPI about an entity doing business with OLG;
- 1.3.1.2 Is the position at a seniority level that would have, or be expected to, obtain or create MNPI about an entity doing business with OLG. This includes Directors (and above) and Board Members.

1.4 Compliance & Investigations must maintain the **Grey List Protocol (GLP)** in accordance with the procedure set forth in Appendix D.

At the point of initial confidential business development discussions, it is not appropriate to add the entity to the Restricted Entities List because disclosure of these discussions to those not otherwise aware of them may inadvertently provide those OLG employees or Board members with MNPI. Accordingly, the GLP is a list of certain entities engaged in confidential business development discussions with OLG. If an entity is listed on the GLP OLG employees and Board members who have or are expected to have access to information relating to the confidential business development discussions will be restricted from trading in the securities of that entity on a temporary basis.

To determine if a publicly traded entity should be added to OLG's GLP, Compliance & Investigations will conduct a review when either of two criteria are met:

- a) Discussions with a public entity or its significant subsidiary are at a stage where it is reasonably likely that OLG could receive or create Material Non-Public Information (MNPI) about the entity. Key indicia that this stage has been reached would include such things as:
 - the execution of a non-disclosure agreement
 - the intended disclosure of non-public projected earnings, targets, or corporate strategy to OLG
 - the intended disclosure of non-public material facts or material changes about the entity to OLG. Examples might include a significant business venture or expansion of products or services, and changes to corporate structure or executive leadership
 - the discussion of potential financial terms related to a strategic joint venture, acquisition, or investment.
- b) It is a reasonable expectation that the fact that business development discussions are underway between the entity and OLG would be considered material to the entity – meaning that public disclosure would be expected to result in a significant change in the market price of the entity's securities.

1.5 The Chair of the Risk Management Committee (RMC) and SVP Governance, Legal and Compliance must co-approve all additions or deletions of to the REL and GPL having regard to the principles set out in s.1.3 and 1.4.

1.6 Compliance & Investigations must maintain a process to receive requests from employees and Board Members on the RPL, **to sell previously held securities** in entities on the REL. Approval for these sales will be managed with input from OLG's General Counsel and with confirmation from the employee or Board Member that they do not possess any MNPI.

1.7 Personal and financial information obtained from employees will remain confidential and managed in accordance with OLG's Code of Business Conduct and Ethics & Compliance Management Policy.

Train and Educate

2.1 OLG Divisions must collaborate with Compliance & Investigations to train employees and Board Members about trading restrictions through education and awareness initiatives to help understand their responsibilities about ethical behavior and taking precautions to prevent Insider Trading and Tipping.

2.2 Training and education initiatives must be commensurate with the degree of risk and consider those positions and departments on the RPL

Monitor and Test

3.1 OLG Divisions must oversee how employees safely handle MNPI and inform Compliance & Investigations of misuse that could lead to suspected Insider Trading or Tipping.

3.2 Compliance & Investigations must use a risk-based approach to monitor employee and Board Member adherence with requirements prescribed in this Guide and to ensure desired outcomes are achieved across OLG Divisions under the Program.

Manage Incidents and Issues

4.1 OLG Divisions and employees must report incidents of suspected Insider Trading or Tipping to Compliance & Investigations and address control deficiencies to reduce the likelihood of similar occurrences. Any employee who has made a disclosure of wrongdoing or has participated in an investigation into a wrongdoing is protected from reprisals.

4.2 Employees and Board Members are encouraged to consult Compliance & Investigations if there is any actual or suspected contravention of this Guide at personaltrading@olg.ca.

4.3 Compliance & Investigations must track, monitor and report on regulatory compliance issues related to the Program across OLG, including the completion of remediation activities.

Report Outcomes

5.1 OLG Divisions must provide information, as requested by Compliance & Investigations, for consolidated regulatory compliance reporting, including information to operate the Program.

5.2 Compliance & Investigations must report regulatory compliance outcomes and the state of compliance to Senior Management and the Audit & Risk Management Committee of the Board.

Roles and Responsibilities

Role	Responsibilities
Employees	<ul style="list-style-type: none">▪ Avoid real or perceived conflicts of interest including the use of MNPI for personal advantage or disclosure of MNPI to any person other than in the necessary course of business (Tipping) and protect MNPI that they may have access to,▪ Comply with the Code of Conduct and this Guide by avoiding situations of actual or perceived Insider Trading and/or Tipping activities and complete required training/attestations,▪ Inform their manager, People & Culture, or confidentially through Integrity Matters, of any actual or suspected violations of suspected Insider Trading and/or Tipping. Employees who have violated this Guide must inform their manager or Compliance & Investigations at personaltrading@olg.ca, and

	<ul style="list-style-type: none"> ▪ If designated as a Restricted Person on the RPL, these employees: <ul style="list-style-type: none"> ▪ Must not purchase or sell securities of a Restricted Entity in a Trading Account unless the trade is classified as an Exempt Trade. This restriction also applies to trades made in the employee's Trading Account by another person if the employee could also direct trading in that account or could direct the operation of that Trading Account. If employees wish to sell previously held securities that are subject to restrictions per the REL, they must receive pre-trade approval from Compliance & Investigations; ▪ Are responsible for consulting the REL prior to purchasing or selling securities to ensure that the trade is permitted. If unsure, contact Compliance & Investigations at personaltrading@olg.ca for clarification prior to purchase of selling of securities.
Ethics Executive	<p>OLG employees' Ethics Executive is the President and Chief Executive Officer (CEO), who has discretion to refer significant matters for determination to the Integrity Commissioner. For Members of the OLG Board of Directors, the OLG Ethics Executive is the Chair, who has discretion to refer significant matters for determination to the Integrity Commissioner.</p> <p>Ethics Executives shall promote ethical conduct and provide guidance and direction concerning conflicts of interest including suspected Insider Trading and Tipping incidents.</p>
OLG Divisions	<p>Own the business relationships with third party entities.</p> <p>Divisional Heads and People Leaders are responsible for ensuring that employees comply with this Guide and are expected to:</p> <ul style="list-style-type: none"> ▪ Conduct and manage and, where applicable, operate their business in compliance with applicable regulatory obligations, including the PSOA, OSA and OLG's Code of Conduct, ▪ Collaborate with Compliance & Investigations to maintain the REL, RPL and GLP by identifying publicly traded business partners and higher risk positions that may receive/create MNPI, ▪ Reinforce expectations of employees to comply with this Guide and ensure mandatory training and attestations are completed, ▪ Engage SMEs and Compliance & Investigations to evaluate risks related to handling of MNPI for significant strategic, operational and policy decisions. For example, the launch of new business lines, products or services, ▪ Create and oversee implementation of appropriate functional policies, procedures and controls designed to comply with this Guide, particularly to safeguard MNPI reduce the chance of misuse by employees taking into consideration recommendations from Compliance & Investigations and SMEs, and ▪ Manage and oversee employees and engage Compliance & Investigations for suspected breaches of this Guide.
Subject Matter Experts	<p>Support Compliance & Investigations to manage the Program and include Finance, Legal Services, People & Culture and Risk & Audit. SMEs shall:</p> <ul style="list-style-type: none"> ▪ Provide guidance, information and data required to operate the Program such as vendor payment data, employee attestations and training data, legal advice, ▪ Participate in regulatory compliance risk assessments led by Corporate Compliance to assess the risk of Insider Trading and Tipping,

	<ul style="list-style-type: none"> ▪ Support Compliance & Investigations with the development and implementation procedures, controls and training programs, as required, to promote compliance with this Guide; and ▪ Support investigation of suspected violations of the Code of Conduct, including suspected Insider Trading or Tipping.
Compliance & Investigations	<p>Responsible for overseeing ethical conduct and compliance with applicable regulatory obligations, including the PSOA and shall:</p> <ul style="list-style-type: none"> ▪ Manage the Program in alignment with the Ethics & Compliance Framework and maintain this Guide to establish baseline expectations for employees, ▪ Lead regulatory compliance risk assessments using a methodology aligned to OLG Enterprise Risk Management to evaluate the risk of Insider Trading and Tipping, ▪ Consult with OLG Divisions and SMEs to maintain the RPL, REL, GLP and approve trade requests requested under the threshold of extraordinary circumstances, establish trading restrictions and offer training programs (as applicable), ▪ Consult with SMEs to create plans to monitor and test regulatory compliance, including controls to promote compliance with this Guide and review of attestations, and ▪ Assess program performance and compliance with the Program to report to the Executive Committee, Risk Management Committee and Audit & Risk Management Committee of the Board.
Executive Leadership and Sub-Committees	<ul style="list-style-type: none"> ▪ Avoid real or perceived conflicts of interest including the use of MNPI for personal advantage or disclosure of MNPI to any person other than in the necessary course of business, ▪ Promote and comply with restrictions of this Guide in relation to buying and selling securities of a Restricted Entity or Grey List Entity.
Board of Directors	<p>Through the Audit & Risk Management Committee (ARMC), responsible for oversight of OLG's compliance program under the Ethics & Compliance Framework and are governed by the Board Code of Ethics and Conduct. Board Members are expected to:</p> <ul style="list-style-type: none"> ▪ Avoid real or perceived conflicts of interest including the use of MNPI for personal advantage or disclosure of MNPI to any person, other than in the necessary course of business, ▪ Avoid the purchase and sale of securities of a Restricted Entity, ▪ Read, understand and comply with the Board Code of Ethics and Conduct, and ▪ Complete the conflict of interest questionnaire during onboarding and the annual attestation that the Director has read, understood and will comply with the Board Code of Ethics and Conduct, including this Guide.

Related Documents

- Code of Business Conduct
- Ethics & Compliance Management
- OLG's Conflict of Interest Rules
- OLG's Fraud Risk Management Policy

Guide Owner

VP, Compliance & Investigations

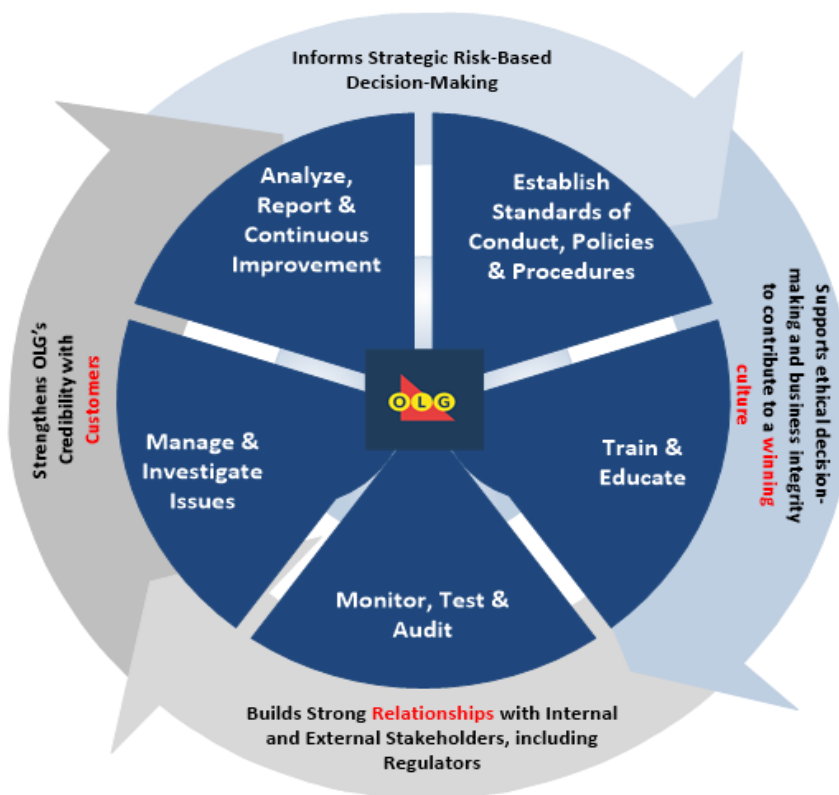
Guide Approval

Approver	Date
Michael Petrocco, VP Compliance & Investigations	December 19, 2023

Revision / Review History

Revision / Review Date	Updated By	Summary of Revision / Review
November 2023	Director, Ethics & Compliance Program Office	<ul style="list-style-type: none">▪ Guide created to retire original Insider Trading & Tipping Prevention corporate policy published October 28, 2020. The new guide also incorporated requirements, roles and responsibilities as it relates to OLG's Grey List Protocol

APPENDIX A – THE ETHICS & COMPLIANCE FRAMEWORK



Compliance & Investigations is responsible for overseeing the following Regulatory Obligations:

- Gaming Control Act (GCA) and the Registrar's Standards¹
- Proceeds of Crime (Money Laundering) & Terrorist Financing Act (PCMLTFA)
- Freedom of Information and Protection of Privacy Act (FIPPA), including Enterprise Documents & Records Management (EDRM)
- Canada's Anti-Spam Legislation (CASL)
- French Language Services Act (FLSA)
- Ontario Lottery and Gaming Corporation Act (OLGCA)
- Public Service of Ontario Act (PSOA)
- OLG Code of Business Conduct and Conflict of Interest Rules (the Code)
- Accessibility for Ontarians with Disabilities Act (AODA)
- Family Responsibility Office (FRO)
- Competition Act
- Consumer Protection Act
- OPS Advertising Content Directive
- OPS Corporate Policy on Recordkeeping, Access & Protection of Privacy
- OPS Visual Identity Directive

¹ Oversight of SP compliance is risk-based and accounts AGCO's accountability as the primary oversight body and commitment not to hold OLG liable for SP breaches of GCA / Standards.

APPENDIX B: POTENTIAL EXAMPLES OF “MATERIAL FACTS” OR “MATERIAL CHANGES”

Changes in Corporate Structure

- changes in share ownership that may affect control of the company (major reorganizations, amalgamations, or mergers)
- take-over bids, issuer bids, or insider bids
- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bids or mergers with other companies

Changes in Capital Structure

- the public or private sale of additional securities, including initial public offerings
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in a company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to rights of security holders

Changes in Financial Results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any periods
- shifts in financial circumstances (e.g. cash flow reductions, major asset write-offs or write-downs)
- changes in the value or composition of the company's assets
- any material changes in the company's accounting policy
- receipt of continuous disclosure documents, proxy circular, etc.

Changes in Business and Operations

- any development that affects the company's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- significant discoveries by resource companies
- changes to the board of directors or executive management, including the departure of the company's CEO, CFO, COO or president (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for directors, officers and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the company's securities or their movement from one quotation system or exchange to another
- anticipated termination of relationship
- making operational decisions leading to insolvency of the third party

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangement

APPENDIX C: EXEMPT TRADES

Exempt Trades are those,

- a) in shares or units of mutual funds, segregated funds, pooled trust funds, or exchange-traded funds (“**ETFs**”) that hold securities of Restricted Entities;
- b) under automatic dividend reinvestment plans, share purchase plans or other similar automatic plans that were entered into before the issuer’s name was placed on the Restricted Entities List, but not sales from these plans made at the direction of the Restricted Person;
- c) that result from a public take-over bid, issuer bid, merger or other transaction made on the same terms to all holders in the applicable province of the class of securities that is the subject of the transaction or expiry of a right (involuntary trades);
- d) in index products (ETF securities, options, futures or other derivatives that track published indices); or
- e) receipt of a restricted entity security for no consideration, such as a gift or inheritance.

Employees who are unsure as to whether a proposed trade is an Exempt Trade must contact the Corporate Compliance Department at personaltrading@olg.ca for confirmation prior to Trading.

APPENDIX D: GREY LIST PROTOCOL PROCEDURE

1. If either of the criteria are met in 1.4, OLG business leaders must inform Compliance & Investigations by emailing personaltrading@olg.ca (which can be found in the directory using #personaltrading).
2. Upon being so informed, Compliance & Investigations will review whether there is a reasonable likelihood that the proposed relationship with the entity would be considered material to the entity. In forming this assessment Compliance & Investigations will have regard to the criteria currently contained in the Insider Trading and Tipping Prevention Guide to determine whether an entity should be added to OLG's Restricted Entity List.
3. Compliance & Investigations will then make a recommendation to the SVP GLC and Chair of the Risk Management Committee who jointly have authority to add an entity to OLG's Grey List.
4. Once added to the Grey List, Compliance & Investigations will issue a communication to only those employees and Board members who have or are expected to have access to MNPI about the public entity, including members of the 'deal' team and/or those that have knowledge of the publicly traded entities that are part of the business development initiative. The communication will describe the applicable trading restrictions and any other measures that are required to maintain the confidentiality of the business development discussions.
5. If a business relationship is formed between OLG and the publicly traded entity and announced publicly, Compliance & Investigations will then consider whether that entity should be added to the REL.
6. Compliance & Investigations will periodically contact the OLG leaders responsible for the business development discussions to determine if the discussions have ended without a business relationship being formed. Once discussions have terminated, Compliance & Investigations will inform any employees and Board members who have been subject to the trading restrictions that the restrictions have been lifted.
7. The names of public entities on the Grey List will not be disclosed to anyone who does not have a business purpose for obtaining that information.