



## COLUMBIA ASSOCIATION, INC. CODE OF ETHICS AND BUSINESS CONDUCT

### Introduction

The Columbia Association, Inc. (“CA”) Code of Ethics and Business Conduct (the “Code”) describes the types of ethical conduct that CA expects from everyone in the organization and provides that everyone will be held responsible for acting accordingly. You are expected to conduct yourself in keeping with the Code and the underlying policies and procedures so as to avoid even the appearance of improper behavior.

The Code covers a wide range of business practices and procedures. While the Code cannot cover every conceivable issue that may arise, it does set out basic principles to guide you in your day-to-day CA business activities. Some of these principles are also set forth in more detail in CA’s *Team Member Handbook* and CA’s *Purchasing Policy*.

The Code should also be provided to CA’s agents, consultants and representatives who are expected to apply the same high ethical standards while working on CA business.

If a law conflicts with a policy in the Code, you must comply with the law. Where a custom conflicts with the Code, however, you are expected to comply with the existing Code. Questions about any such conflicts can be directed to CA’s principal ethics officer (“PEO”), who is currently CA’s General Counsel.

The PEO has overall responsibility for providing oversight of this Code and assisting you regarding the application of the Code and related laws, regulations, policies and procedures. The PEO can be reached at 410-715-3115.

You may also want to consult with your immediate supervisor, team leader or the Director of Human Resources regarding Code issues.

If you violate the Code, you will be subject to disciplinary action up to and including termination of your service with CA. If you find yourself in a situation that you believe may violate or lead to a violation of the Code, follow the procedures described in the Code and in CA’s *Policy for Reporting Violations of the Code of Ethics and Business Conduct* (“*Policy for Reporting Violations*”).

In certain circumstances, misconduct may also be reported to the appropriate law enforcement authorities.

### 1. Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation of CA’s ethical standards. You are expected to respect and obey federal, state and local laws, rules and regulations. While it is no

small task to know the details of the laws, rules and regulations that may affect our daily business operations, the Code along with other CA policies provide important guidance in making decisions.

These policies, including without limitation, CA's ***Employment of Family Members Policy, Drug and Alcohol Policy, Equal Opportunity and Sexual Harassment Policy, Workplace Violence Prevention Policy, and Team Member Dating Policy***, can be found on CA's team member intranet in the folder titled "HR Policies and Forms."

If you have any doubt as to the lawfulness of any proposed activity, you should seek advice from the PEO.

## **2. Equal Opportunity**

CA is committed to providing equal employment opportunities and maintaining a work environment that is free of offensive conduct, discrimination, hostility, harassment or intimidation based on race, sex, religion, color, age, national origin, pregnancy, gender identity and any other factors protected by federal, state and local laws.

- If you need an accommodation for a disability, notify CA, and reasonable job-related accommodations will be made.
- If you need additional information related to employee relations and work environment issues, you should consult with your immediate supervisor, a team leader or the Director of Human Resources.
- If you believe you have been subjected to or observe others being subjected to unlawful discrimination, harassment or intimidation by other CA personnel, or contractors, vendors, customers or other individuals with whom CA has or expects to have a business relationship, you are expected to report such conduct in accordance with the procedures described in the Code and in CA's ***Policy for Reporting Violations***.

## **3. Drug-Free Workplace**

CA prohibits the inappropriate or illegal use of drugs and alcohol. The illegal possession, distribution, or use of any controlled substances on CA's premises or at CA functions is strictly prohibited. Similarly, reporting to work under the influence of illegal drugs or alcohol and/or the abuse of alcohol or medications in the workplace are violations of the Code.

## **4. Conflicts of Interest**

If you are a member of the CA Board of Directors or of Senior Management (the President/CEO, Department Directors, General Counsel, Human Resources Director, Chief Information Officer, members of the Office of Audit and Advisory Services, Treasurer, Controller, members of the Purchasing Division, Division Directors and Assistant Division Directors), your conduct will be governed not only by this Code but also by CA's ***Conflicts of Interest Policy***. Nevertheless, ***all*** CA

Personnel (which includes not only Board and Senior Management Members, but all CA team members) are expected to be mindful of possible conflicts of interest.

A conflict of interest exists when a person's private activities, agreements, business investments or interests or other situations, whether paid or unpaid, could reasonably be expected to interfere with the person's objectivity, job performance, judgment or diligence in protecting and promoting the interests of CA to the extent that such person would place his or her personal interests, or those of another, above the interests of CA. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest is likely to arise when:

- You have a financial or personal interest in a contract or transaction to which CA is a party.
- You or a family member receive improper personal benefits as a result of your CA position. Improper benefits do not include Tokens of Respect (defined below).
- You work simultaneously for CA and a competitor of or vendor to CA. You should avoid any direct or indirect business connection with CA's competitors and vendors, except on CA's behalf.
- CA purchases property, materials, supplies, equipment or services from you or from any business or company that is owned or controlled by you or a family member.
- You receive a personal loan from CA.

An actual or perceived conflict of interest may not always be obvious. Care should be taken about the appearance of a conflict of interest since such appearance might impair the reputation of CA even when there is no actual conflict and no wrongdoing. You have an obligation to avoid any conflict of interest and, where avoidance is not feasible, to disclose the situation to your immediate supervisor, a team leader, the Director of Human Resources, the PEO, the Chair of the Board of Directors or the Chair of the Audit Committee of the Board of Directors, as applicable. If you have a question, you should consult with one of these parties. If you become aware of any potential, actual or apparent conflict of interest, whether involving you or any other party, you must follow the procedures described in the Code and in the ***Policy for Reporting Violations***.

## **5. Gifts, Gratuities and Entertainment; Illegal Payments**

The purpose of business entertainment and gifts is to create good will and sound working relationships, not to gain unfair advantage. Except for Tokens of Respect (as defined in the box below), you, your family members, and agents of CA are prohibited from accepting, offering or providing gifts, entertainment or gratuities. If you receive a request for such a gift or gratuity, you must report it to the PEO. Anyone with questions about whether accepting, offering or providing gifts, entertainment or gratuities is prohibited in any particular situation should contact an immediate supervisor, a team leader, the Director of Human Resources or the PEO.

**A “Token of Respect” is:**

- consistent with customary business practices
- not a cash gift
- not excessive in value - Note: Any gift with a value exceeding \$25.00 or a series of gifts with a total value exceeding \$100.00 in a one-year period from any one person or entity is deemed excessive in value.
- not in violation of any laws or regulations
- not accepted, offered, or provided with the intent or appearance of the intent to influence the recipient to make a decision they would not otherwise make.

Kickbacks to or from any person are prohibited. No illegal payments of any kind are to be made to any local, state or Federal Government officials, or to officials of any other country, territory or municipality at any time or under any circumstances. Moreover, no funds or other assets of CA are to be paid, directly or indirectly, to government officials or persons acting on their behalf or to representatives of other businesses for the purpose of influencing decisions or actions with respect to CA’s activities.

Also, you may not use agents, consultants, independent contractors or other representatives to do indirectly what you could not do directly under the Code or any other applicable law, rules and regulations.

**6. Contest Awards**

You and your family are not eligible to win any type of prize or award associated with any contest, drawing, raffle, sweepstakes or other competition open to the public that is sponsored or run by CA. However, part-time and seasonal CA team members – excluding family members of the CA Board of Directors and Senior Management – are eligible to apply for the Spirit of Columbia Scholarship and to be awarded such Scholarship if they are determined to meet the criteria for such award.

**7. Misuse of Assets**

You should protect CA’s assets and ensure their efficient use. You may not use CA property, information or your position at CA for personal gain. You may not remove, dispose of or destroy anything of value belonging to CA without CA’s express written consent, including both physical items and electronic information. Any suspected incident of fraud or theft should be immediately reported for investigation as per the ***Policy for Reporting Violations***.

**8. Corporate Opportunities**

You owe a duty to CA to advance its legitimate interests when the opportunity to do so arises. Without the consent of CA’s Board of Directors, you are prohibited from taking for yourself or directing to others business opportunities that are made known to you or obtained through the use of corporate property, information or your position.

## **9. Sensitive and Proprietary Information**

You may come in contact with CA proprietary information (material of a confidential, restricted or otherwise sensitive nature). Proprietary information includes but is not limited to intellectual property such as trade secrets, trademarks and copyrights, as well as business, marketing and service plans, engineering ideas, designs, databases, records and any unpublished financial data and reports. Proprietary information may be encountered in many forms, such as documents, electronic media or even business conversations. Proprietary information **does not** include information that:

- is or becomes publicly available without breach of the Code;
- is or becomes known or available from a third party who did not acquire or disclose such information by breach of a duty of confidentiality or by a wrongful or illegal act;
- is subject to disclosure under the Maryland Homeowners Association Act;
- is independently developed by you or others without reference to CA's proprietary information; or
- is part of a protected activity or communication under Section 7 of the National Labor Relations Act (29 U.S.C. § 157), such as organizing a labor union.

Unauthorized use or distribution of proprietary information may be illegal and result in civil or criminal penalties. In general, proprietary information shall not be used for your personal benefit and can be distributed within CA only on the basis of business necessity. Proprietary information may not be disclosed outside CA unless required by law or specifically authorized by the appropriate team leader or officer and only after the recipient of the information executes a non-disclosure agreement acceptable to CA. You are expected to take reasonable measures to protect proprietary information from being disclosed outside CA. If third parties seek to compel disclosure of proprietary information, CA's General Counsel must be notified. Proprietary information that belongs to a third party and is covered by a non-disclosure agreement or similar agreement also must be protected accordingly.

Additionally, you are required to protect the confidentiality of all proprietary Information after your relationship with CA ends. You shall not retain any proprietary information after termination, and you shall not disclose any proprietary information or use it for any purpose at any time thereafter. You shall cooperate with CA after termination in any effort to control disclosure of proprietary information or to retrieve information from others and to enforce the terms of any nondisclosure agreement or similar agreement against third parties.

Questions about the proprietary nature of any information should be directed to your immediate supervisor, a team leader, the director of human resources or the PEO.

## **10. Competition and Fair Dealing**

CA seeks to provide its services to the Columbia community fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Theft or unauthorized use or disclosure of confidential or proprietary information, or the possession of trade secret information that was obtained without the owner's

consent, is prohibited. CA Personnel should endeavor to respect the rights of and deal fairly with the residents and businesses of Columbia, and CA's customers, vendors, competitors and personnel. No CA Personnel should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

### **11. Outside Communication**

CA is committed to providing full, fair and accurate disclosure in all public communications and to being in compliance with all applicable law, regulations and rules.

For this reason, ***unless you are specifically authorized to do so***, you may not speak or act on CA's behalf or make any appearance of doing so. Never answer questions from the media or other members of the public without making it clear you are speaking solely as an individual. If you should receive such an inquiry, it is best to obtain the name and contact information of the person and immediately notify CA's Director of Communications and Marketing and/or a CA Media Relations Specialist.

When you identify yourself as an employee, officer, or director of CA, you may not comment on nor provide information relating to CA's business (even if such information is not confidential) unless you clearly specify that you are not speaking on behalf of CA. You may not comment without specific authorization on CA's proprietary or other confidential information or on any subject matter as to which you have knowledge or expertise by virtue of your duties with CA.

As a private individual, you have the right to speak out on issues in any public forum or on social media, websites and other vehicles. However, when you speak as an individual, it is critical that you do not give the appearance of speaking or acting on CA's behalf. You should be especially aware of the broad reach of social networking and similar media. Such vehicles are increasingly monitored by customers, regulators and colleagues, and your comments may be attributed to CA, even though you did not intend for them to be taken that way.

### **12. Network Use, Integrity & Security**

CA reserves the right to monitor and review any information contained on a CA computer or other electronic device issued by CA. In addition, CA reserves the right to monitor and review any use of the internet and CA e-mail or any other electronic communications without notice. Access to CA systems can be revoked and disciplinary action taken in the event such systems are used to commit illegal acts or to violate the nondiscrimination, harassment, solicitation, proprietary information or any other terms of the Code.

In order to maintain systems integrity and protect CA's network, you must not divulge any passwords used to access CA computers or databases. You also must avoid using or distributing unauthorized software that could damage or disrupt CA's work environment by transmitting viruses or conflicting with CA systems. No CA Personnel should engage in the unauthorized use, copying, distribution or alteration of computer software whether obtained from outside sources

or developed internally. All software, including “shareware,” contains terms of use to which you must adhere.

Any suspected breach of CA’s network security systems or misuse of the system should be reported immediately to the IT department and also pursuant to the Policy for Reporting Violations.

### **13. Health and Safety**

CA strives to provide a safe and healthy work environment. We all have the responsibility to follow safety and health rules and practices and to report accidents, injuries and unsafe equipment, practices or conditions.

### **14. Financial Management and Record-Keeping**

Public disclosure of certain CA information is our practice and may also be required by law. We make full, fair, accurate, timely and understandable disclosures in periodic reports and in public statements such as news releases. CA requires honest, timely and accurate recording and reporting of information involving CA accounts, payroll, business expenses and time recording in order to make truthful public disclosures and support responsible business decisions. Falsifying business records is a serious offense that may result in criminal prosecution, civil action and/or disciplinary action up to and including termination. If you are authorized to make expenditures or enter into transactions on behalf of CA, you must ensure that all transactions are recorded properly.

All of CA’s books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect CA’s transactions and must conform both to applicable legal requirements and to CA’s system of internal controls. All records are to fairly and accurately reflect, in reasonable detail, CA’s assets, liabilities, revenues and expenses. All transactions are to be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period. No transactions should be intentionally misclassified as to accounts, departments or accounting periods. No information should be concealed from CA’s internal or independent auditors. CA Personnel involved in the preparation, accumulation, summarization and reporting of financial information must ensure there are no false or misleading entries, material misstatements or fraudulent activities that would directly or indirectly impact our financial statements or business operations. Personnel involved in systems, processes and reporting mechanisms, both financial and non-financial in nature, have a responsibility to ascertain that they are operating effectively.

Anyone aware of issues that might impact the financial statements or business operations of CA must make full disclosure to their immediate supervisor, a team leader, the director of human resources or the PEO. If you are involved in establishing or maintaining internal controls, you must make sure such controls are operating effectively and are sufficient to ensure that information generated is accurately recorded and reported on a timely basis. As requested by management, you may be required to certify on a periodic basis the integrity of financial reports for which you are responsible.

Business records and communications often become public, so exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies should be avoided. This applies equally to email, internal memos, website and social media postings, blogs, and formal reports. Records should always be retained or destroyed in accordance with CA's ***Record Retention and Disposal Policy ("Retention Policy")***. Destroying or altering a document with the intent to impair the document's integrity or availability for use in any potential official proceeding is a crime. **Documents relevant to any pending, threatened or anticipated litigation, investigation or audit shall not be destroyed for any reason.** In accordance with the Retention Policy, in the event of litigation or governmental investigation, consult CA's General Counsel. If you believe that CA records are being improperly altered or destroyed, you should report it as per the ***Policy for Reporting Violations***.

### **15. Business Expenses**

You may incur business expenses, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your immediate supervisor, a team leader, the Director of Human Resources or the PEO. Rules and guidelines are set forth in CA's ***Procurement Card Policy*** and ***Travel Policy*** and are available from the Accounting Department.

### **16. Audits/Investigations**

CA personnel are expected to cooperate with CA representatives and relevant authorities in matters of internal and external audits, government investigations and other activities to the fullest extent of the law. On occasion, government auditors or investigators may contact individual CA Personnel directly. Any request for information, complaint or other inquiry from a governmental organization should be forwarded directly to our General Counsel. If you are in doubt about how to proceed, contact the General Counsel. Failure to cooperate fully in an investigation or audit shall be grounds for discipline up to and including termination.

### **17. Reporting any Illegal or Unethical Behavior**

You are required to report any circumstance that you believe in good faith may constitute a violation of the Code or any other CA policy, applicable law, regulations or rules. If you are in a situation that you believe may involve or lead to a violation of the Code, you should report it according to the procedures described in the ***Policy for Reporting Violations***. You may also want to seek guidance from your immediate supervisor, a team leader, the Director of Human Resources or the PEO.

It is CA's policy to encourage the communication of bona fide concerns relating to the lawful and ethical conduct of business, and audit and accounting procedures or related matters. It is also the policy of CA to protect those who communicate bona fide concerns from any retaliation for such reporting. Pursuant to, among other things, the Policy for Reporting Violations, CA does not permit retaliation of any kind for good faith reports of misconduct. CA Personnel are expected to cooperate in internal investigations of misconduct.

## 18. Waivers of the Code

CA's President or the Board of Directors may waive application of the policies set forth in the Code when special circumstances warrant granting a waiver and then only in conjunction with appropriate monitoring of the particular situation. Any waivers of the Code must be in a writing stating the rationale for the waiver and will be promptly disclosed as required by law. Any amendments to the Code may be made only by a majority vote of the Board of Directors. If you believe special circumstances warrant a waiver of an ethics rule, request a waiver.

## 19. Compliance Procedures

While everyone must work to ensure prompt and consistent action against violations of this Code, a lack of information or background may make it difficult to determine whether a violation has occurred. Every situation that may arise cannot be anticipated, so it is important to have a way to approach questions or problems objectively. Keep in mind these steps:

- **Make sure you have all the facts.** In order to reach the right solutions, we must be as fully informed as possible.
- **Ask yourself: What exactly am I seeing or being asked to do? Does it seem unethical or improper?** This will enable you to focus on the specific facts or questions you are faced with and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- **Clarify your responsibility and role.** In most situations, there is shared responsibility. Evaluate your role in the situation and that of your colleagues.
- **Discuss the problem.** This is the basic guidance for all situations. In many cases, a supervisor or team leader will be more knowledgeable about the question, and will appreciate being brought into the decision-making process.
- **Seek help from CA resources.** In the rare case where it may not be appropriate to discuss an issue with your immediate supervisor or team leader or where you do not feel comfortable approaching them with your question, discuss it with the director of human resources, the PEO or any team leader with whom you feel comfortable. If you prefer to write, address your concerns to the PEO. You may also make an anonymous report by contacting the **Ethical Advocate** ethics hotline (877-619-7909) or *ca.ethicaladvocate.com*.
- **You may report ethical violations in confidence and without fear of retaliation.** CA does not permit retaliation of any kind against CA Personnel for good faith reports of misconduct by others.
- **Always ask first, act later.** If you are unsure of what to do in a situation, you should seek guidance before you act.

## 20. Additional Guidance and Provisions for Senior Management Members

While all CA Personnel are required to uphold this Code, Senior Management Members (which, for purposes of this Additional Guidance, include members of CA's Board of Directors) owe additional duties to CA by virtue of their roles. This Section contains additional guidance and provisions specifically applicable to them (the "***Additional Guidance***"). In the event of a conflict between the Additional Guidance and any other provision of this Code, the Additional Guidance shall control with respect to Senior Management Members

The Additional Guidance has several purposes:

- It defines what CA means when it holds Senior Management Members to the highest possible ethical standards. It details the fundamental maxim – do the right thing - by defining right and wrong in some detail.
- It has official standing, in that the standards articulated here become concrete evidence of CA's expectations and intentions, with respect to the behavior of Senior Management Members.
- It is pragmatic in that it provides an agreed-to description of both organizational values and the behaviors that those values prescribe.
- It is intended to remind Senior Management Members that although their primary duty is to CA itself, the vested interest of the residents and businesses of Columbia and its environs are impacted by the decisions of CA.
- It is intended to be used in concert with CA's governing documents including its Charter, Bylaws and such policies as the Board of Directors may adopt as well as applicable Maryland law.
- It outlines a set of fundamental principles, whether or not they are the basis for certain operational or legal requirements or prohibitions.
- It is intended to help Senior Management Members understand why CA's documents direct behavior in certain ways, why the laws require or prohibit certain actions and what is to be done when the governing documents and legal strictures are ambiguous or subject to interpretation.
- It is intended to help Senior Management Members define what is right, fair, just and good in those cases where it may be less than obvious which path constitutes the high road.

**Personal Ethics**

Senior Management Members are expected to behave morally according to general expectations of any person in any society, acting in any capacity. The principles of personal ethics include:

- Concern for the well-being of others
- Respect for the autonomy of others
- Trustworthiness and honesty
- Compliance with the law
- Basic justice: being fair
- Refusal to take unfair advantage
- Benevolence: doing good
- Prevention of harm

**Professional Ethics**

An individual acting as a Senior Management Member takes on an additional burden of professional ethical responsibility. The principles of professional ethics include:

- Impartiality
- Openness and full disclosure
- Confidentiality
- Due diligence and duty of care
- Fidelity to professional responsibilities
- Avoiding potential or apparent conflict of interest

### **Rights of Senior Management Members**

Each Senior Management Member has a right to:

- Be reliably informed about CA's finances and operations; and
- The cooperation of CA's team members, members of the Board of Directors and Senior Management Members.

### **Political Activity**

A Senior Management Member is free to engage in political activity, including endorsement of candidates for political office, when the member is acting in his/her individual capacity. In no way, however, should the activities of a Senior Management Member be performed in such a manner as to indicate that CA supports a specific candidate. All political activities must be carried out on a strictly personal basis and supported only by personal, not CA, resources. A Senior Management Member may not endorse candidates for political office while the member is acting as a representative of CA and shall not use his or her CA title in connection with any political endorsement. A Senior Management Member will be considered to be acting as a representative of CA when he/she is:

- Carrying out work or volunteer duties on behalf of CA
- Attending a CA meeting or event sponsored by CA
- Attending a meeting as a representative of CA
- Wearing a name badge or clothing designating him/her as a representative of CA.

### **21. Commitment and Certification**

Your commitment to conduct yourself in accordance with this Code is essential to its success. CA requires that each of the CA Personnel certify that he/she has received and read this Code and understand its contents.

**Approved by CA Board of Directors October 26, 2006**

**Revised and Approved by CA Board of Directors July 7, 2011**

**Revised and Approved by CA Board of Directors January 26, 2017**

**Updated for new ethics hotline information December 6, 2018**

**Updated with new name for Internal Audit December 9, 2020**

**ACKNOWLEDGEMENT OF RECEIPT**

**COLUMBIA ASSOCIATION, INC. CODE OF ETHICS AND BUSINESS CONDUCT**

I, \_\_\_\_\_, acknowledge and confirm that I have received a copy of the Columbia Association, Inc. Code of Ethics and Business Conduct as revised and approved by the CA Board of Directors on December 9, 2020, and have read and understand those standards. I agree that I will conduct myself in accordance with those standards.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title/Position

\_\_\_\_\_  
Date