

DIRECTORS' CODE OF CONDUCT & ETHICS

Trust and integrity are the cornerstones of ATB Financial's business. Customers seek out ATB Financial for their financial service needs because they believe that their funds are secure and will be well managed. ATB Financial's reputation as a trustworthy financial institution may be influenced by the actions, choices, and decisions of the directors. It is important that all directors conduct themselves in a fair and objective manner and take appropriate steps to ensure that their conduct is free of any real or potential conflict of interest.

In 1996, a board of directors approved ATB Financial's Code of Conduct and Ethics, which sets out the principles and standards of conduct that guides the actions of all officers and employees. This code has been updated from time to time to reflect changes at ATB Financial. The board of directors of ATB Financial approved the Related Party By-Law, the most current version of which was published in the Alberta Gazette in June, 2003. By-Law #2 was amended to further clarify the appropriate conduct and processes to deal with conflicts of interest. The Related Party By-Law contemplates the board may adopt guidelines to assist in the clarification of such issues. On November 21, 2002, the directors adopted a Charter which sets out the expected behaviours and responsibilities of individual directors. The Board has also chosen to pass a director's Code of Conduct and Ethics, similar to the Code for officers and employees.

This Code of Conduct and Ethics for directors is intended to outline the principles and standards of conduct that should guide the behaviour of the board and individual directors of ATB Financial. These principles and standards provide general guidelines to deal with situations that may arise. They are not exhaustive and are not intended to cover all situations. The directors' Code of Conduct and Ethics is intended to supplement and clarify, but not amend, any guidelines or practices set out in the *Alberta Treasury Branches Act* and Regulations, the Related Party By-Law #2, the Charter, and other Board approved policies including, but not limited to the Investment Policy approved November 21, 2002, and the Communications Policy approved May 30, 2001.

Definitions

For the purposes of the directors' Code of Conduct and Ethics, the following definitions apply:

ATB Financial includes Alberta Treasury Branches and its subsidiaries.

Customer includes ATB Financial borrowers, depositors, and, purchasers of investment products.

Supplier includes providers of products and services to ATB Financial, professionals dealing with ATB Financial in an advisory capacity, and all other persons dealing with ATB Financial for compensation from time to time.

Family includes a director's spouse and any of the parents, guardian, grandparents, children, siblings, or the husband or wife of any of the above of the director or their spouse.

Spouse not only refers to a director's legally married spouse; it is also defined to include any adult interdependent relationship.

Each director is responsible for their conduct in relation to ATB Financial at all times and the onus for reporting any ethical concerns rests with the individual director. If a director is faced with a situation involving ethics and/or the directors' Code of Conduct and Ethics and is unsure how they should act, they are encouraged to discuss the matter with the Chair of the Governance and Conduct Review Committee (the "Governance Committee") or the Chair of the Board.

Personal Conduct

The high standards of integrity and trustworthiness are expected of all directors of ATB Financial. The personal conduct of an ATB Financial director has a direct bearing on the Corporation including its relationships with its customers and suppliers. Any conduct by a director which could compromise their reputation as an honest, trustworthy individual should be avoided. Any conduct which could negatively impact a director's ability to perform their duties may also cause members of the public to question the ability of the board of directors to carry out their duties in a satisfactory manner.

Individual Rights

Directors are expected to respect the rights of others be they ATB Financial employees, customers, suppliers, job applicants, or others with whom they have direct or indirect contact or dealings as a result of their position as a director of ATB Financial. Discrimination or harassment (unwelcome behaviour of a sexual or personal nature) whether against an individual or a group on a basis of race, religious beliefs, colour, gender, physical or mental disability, marital status, age, sexual orientation, ancestry, or place of work and origin of any person is not appropriate.

Disclosure

A director is under an obligation to promptly advise the Chair of the Governance Committee or the Chair of the Board if they are charged with any serious breach of trust or serious violation of the law, including any criminal or quasi-criminal offence, as well as the outcome of those charges. If any party commences civil proceedings against them which could potentially result in a material detrimental financial impact, or if they file for bankruptcy or a third party commences proceedings in bankruptcy against them, the director should also advise the Chair of the Governance Committee or the Chair of the Board.

A director is required to tender their resignation as a director on conviction of any serious violation of law or civil judgment for breach of trust, fraud, or other wrongdoing.

Confidentiality

A director is under a duty to maintain the confidentiality of any information gained through their relationship and the performance of their duties to ATB Financial. This extends not only to information concerning the administration or condition of an account or business of any customer but also to the general information pertaining to ATB Financial's business, operations, and other organizational or internal matters which are intended to remain confidential or privileged. ATB Financial customers believe and expect that their financial business and personal information is protected at all times and that it is only viewed by those individuals who have a business reason to do so and is only used in a manner limited to information about customers' business operations, financial position, inventory, and future plans, as well as personal information about an individual. Information about ATB customers is only to be utilized by directors for the purpose of performing their duties as directors and to meet legal and regulatory requirements. A director's responsibility to maintain strictest confidentiality with respect to customer and business information applies at all times during their appointment as a director and continues after the termination of their appointment. Breaches of confidentiality whether or not the use of such information monetarily or otherwise benefits the director, their family, or close friends or associates are strictly prohibited.

Exceptions to Confidentiality

The only exceptions permitting disclosure of confidential information are: customer consent, preferably in writing; disclosure where required by law; disclosure to a customer's legal representative; public duty where such information may be released to the appropriate authorities, and where the interests of ATB Financial require disclosure such as a law suit or recovery of debt owed by a customer. In any situation where the release of customer or corporate information may be required, a director is under an obligation to notify the Chair of the Governance Committee or the Chair of the Board to discuss the situation requiring disclosure of confidential information.

Gifts

Directors must ensure that they remain impartial and objective in the performance of their duties. Actions and decisions of directors must be free from influence but also free from the appearance of influence. Therefore accepting gifts, goods and services, favours, loans, inducements, travel, entertainment, use of accommodations, or any other item of value or benefit offered to a director, their family or close friends and/or personal associates by known customers or suppliers of ATB Financial is discouraged. All gifts in the form of cash and/or commissions are prohibited. No gifts with a known or perceived value in excess of \$200.00 from known customers or suppliers may be accepted without obtaining prior written approval from the Chair of the Governance Committee or the Chair of the Board.

Entertainment and Business Development

It is customary in business for one party to entertain another party on an occasional basis as a mechanism for maintaining and potentially gaining additional business. This entertainment may involve activities such as a business luncheon, golf, and tickets to a sporting or theatrical event. ATB Financial directors are encouraged to engage in charitable and community development activities as representatives of the Corporation and maintain positive rapport with ATB Financial customers and suppliers. ATB Financial funds included in the directors' budget may be spent on developing ATB Financial business, promoting relations with new and existing customers, and enhancing the image of ATB Financial only with the prior approval of the Chair of the Board.

Business Relations with Customers

Directors may enter into private business relationships with known ATB Financial customers or suppliers provided any potential conflict of interest in the context of ATB Financial as a result of such business relationship is fully disclosed as required in accordance with the Related Party By-Law.

Self-Dealing

Directors of ATB Financial should never use their position as an ATB Financial director for personal advantage or gain or to the advantage or gain of their family, close friends, or personal associates. This includes the use of information acquired in the course of being a director of ATB Financial and the purchasing of goods and services. The purchase of goods and services from an ATB Financial customer or supplier at a discount rate offered as a result of a business relationship with ATB Financial is not permitted unless it is pursuant to a program offered to all ATB Financial officers and employees.

The purchase of ATB Financial assets or goods seized or otherwise repossessed by ATB Financial from a defaulting customer or supplier is permissible provided that the purchases are made in advertised public auction or otherwise as permitted by ATB Financial corporate policy.

Self-Employment and External Supplementary Income

Directors are not employees of ATB Financial and are therefore not restricted in employment outside of ATB Financial including self-employment, so long as that employment does not interfere or conflict with their duties as directors of ATB Financial. If there is a potential appearance of interference or conflict with their duties as a director, the director should consult with the Chair of the Governance Committee or the Chair of the Board for a determination on the acceptability of such activity. Any approval provided is subject to further review and may be withdrawn at any time should it be determined that an actual or potential conflict of interest exists.

Time and Attention to Duties

Directors are expected to devote adequate and appropriate time and attention to their duties as directors. There are no specific hours of work and directors shall devote such time as is reasonably required to fulfil their duties and obligations, including regular attendance at board and committee meetings.

Public Statements

Public statements on behalf of ATB Financial by directors must only be made in accordance with ATB Financial's Communication Policy. Directors of ATB Financial must exercise caution at all times and choose their words carefully when engaging in any form of public speaking, in order to not breach confidentiality regarding any customer or business information. Directors should not express any personal opinions regarding ATB Financial's operations and direction that could adversely affect the interests of ATB Financial or its Shareholder.

Financial Hardship and Bankruptcy

Excessive liabilities, personal bankruptcy, and other serious financial distress can adversely affect performance of the duties of a director of ATB Financial as they may give rise to concerns regarding the trust and integrity of a director and their capacity to carry out their duties as a director in a responsible and ethical manner. Directors are responsible for ensuring their personal finances are maintained in a fashion appropriate for the senior executives of a financial institution or a crown corporation. In the event of

financial hardship a director should contact the Chair of the Governance Committee or the Chair of the Board for guidance and direction. In the event of severe financial hardship which could lead to a declaration of personal bankruptcy, a director must tender their resignation as a director.

Political Involvement

ATB Financial directors are permitted to take part in and run for public office as candidates in any provincial election but they must resign as directors of ATB Financial immediately should they be elected. They may run for public office in local or civil government or as candidates in a federal election provided their duties as an elected representative do not interfere or conflict with their duties as directors of ATB Financial. If elected to any local or federal public office, the director should immediately contact the Chair of the Governance Committee or the Chair of the Board for confirmation on whether resignation as a director is required.

ATB Property

Directors are required to faithfully account for and deliver to ATB Financial any ATB Financial monies, securities, or other property that they may from time to time receive for, from, or on account of ATB Financial. When ceasing to be a director of ATB Financial a director must deliver to ATB Financial any books, records, documents, effects, money, security, computers, telephones, or other property belonging to ATB Financial or for which ATB Financial is liable or responsible, other than their personal notes or other materials related to their duties as directors.

Recommending Products and Services and Providing Advice

ATB Financial directors are encouraged to be knowledgeable about ATB Financial products and services. Should they encounter a situation where an ATB Financial product or service may be appropriate, or on hearing of any problem or concern by existing customers with respect to ATB Financial products and services, they are encouraged to refer the customer to the appropriate staff member identified by the CEO, within the sales network or to the individual responsible for the customer complaint resolution process.