



LORETTO CODE OF CONDUCT

(From Appendix A of Employee Handbook)

Loretto has adopted a Corporate Compliance Program to facilitate Loretto's compliance with all applicable laws and regulations. An important component of the Program is the Code of Conduct ("The Code"), which all of Loretto's trustees, officers, and employees must follow. The Code applies to all business operations and personnel. Non-personnel representatives of Loretto, such as independent contractors, external advisors and consultants are also directed to conduct themselves in a manner consistent with the Code when acting on behalf of Loretto. If you have any questions about the Code or its applicability to a particular situation, please contact your supervisor, the Corporate Compliance Officer or Administrator of the Facility. A copy of this policy shall be made available to any individual, contractor, vendor or other entity which provides substantial services to Loretto.

The Corporate Compliance Program and the Code are not intended to and shall not be deemed or construed to provide any rights, contractual or otherwise, to any personnel or third party.

Standards of Conduct

1. One of Loretto's strongest assets is a reputation for integrity and honesty. A fundamental principle on which Loretto operates its business is full compliance with applicable laws and regulations. Loretto also conducts its business in conformance with sound ethical standards. Achieving business results by illegal acts or unethical conduct is not acceptable. Therefore, all personnel shall act in compliance with the requirements of applicable federal, state or local statutes, ordinances, executive orders, rules, regulations, judicial or administrative decisions, rulings or orders, Loretto's policies and procedures and the Code and in a sound, ethical manner when engaged in the business and operations of Loretto.
2. Each supervisor and manager is responsible for monitoring that the personnel within their supervision are acting ethically and in compliance with applicable federal, state or local statutes, ordinances, executive orders, rules, regulations, judicial or administrative decisions, rulings or orders, Loretto's policies and procedures and the Code. All personnel are responsible for acquiring sufficient knowledge to recognize potential compliance issues applicable to their duties and for appropriately seeking advice regarding such issues and reporting such issues to the Compliance Officer or other management when appropriate.
3. The annual performance evaluation of each employee will include their compliance with both HIPAA regulations and the Corporate Compliance Program.
4. The Code is distributed to all personnel and sets forth general standards applicable to all business and operations. In addition, there are a number of more detailed and specific policies covering particular business units or subject matters. Loretto communicates those specific policies to personnel who are particularly affected by and who must comply with them in the course of their duties and responsibilities. A current set of such policies are available at your worksite. If you wish to review them, please contact your Supervisor.

5. Personnel shall not offer or give any bribe, payment, gift, or thing of value to any person or entity with whom Loretto has or is seeking any business or regulatory relationship except for non-monetary gifts of a nominal value which are given in the ordinary course of business and are not intended to induce or reward referrals of business or services.
6. Personnel shall not accept any bribe, payment, gift, item, or thing of more than a nominal non-monetary value from any person or entity with which Loretto is seeking any business or regulatory relationship. Personnel must promptly report the offering or receipt of gifts above a nominal value to their Supervisor.
7. Loretto is a non-profit institution; therefore, all of its assets and resources must be used exclusively in furtherance of its charitable purposes. The use of any Loretto assets or resources for private benefit or gain is prohibited.
8. Personnel shall not directly or indirectly authorize, pay, promise, deliver, or solicit any payment, gratuity, or favor for the purpose of influencing any political official or government employee in the discharge of the person's responsibilities.
9. Personnel shall be completely honest in all dealings with government agencies and representatives. No misrepresentations shall be made to, and no false bills or requests for payment or other documents shall be submitted to government agencies, representatives or third-party payers. Personnel certifying the correctness of records submitted to government agencies or third-party payers, including bills or requests for payment, shall have knowledge that the information is accurate and complete before giving such certification.
10. All political activities relating to Loretto shall be conducted in full compliance with applicable law. No funds of Loretto will be used for any political contribution. Personnel may make direct contributions on their own to political candidates or activities, but these contributions will not be reimbursed.
11. Other than compensation from Loretto, and as consistent with Loretto's conflict of interest policies, personnel shall not have a financial or other personal interest in a transaction between Loretto and a vendor, supplier, provider, or customer.
12. Personnel shall not engage in any financial, business, or other activity which competes with Loretto's business, which may interfere or appear to interfere with the performance of their duties, or that involve the use of Loretto's property, facilities, or resources, except to the extent consistent with the conflict of interest policies.
13. All of Loretto's business transactions shall be carried out in accordance with the management's general or specific guidelines. All books and records shall be kept in accordance with generally accepted accounting standards. All transactions, payments, receipts, accounts, and assets shall be completely and accurately recorded on Loretto's books and records on a consistent basis. No payment shall be approved or made with the intention or understanding that it will be used for any purpose other than that described in the supporting documentation for the payment. All information recorded and submitted to other persons must not be used to mislead those who receive the information or to conceal any financial improprieties.
14. Books and records shall be created, maintained, retained, or destroyed in accordance with Loretto's document destruction policies.

15. Personnel shall comply with applicable antitrust laws. There shall be no discussions or agreements with competitors regarding price or other material terms, prices paid to suppliers or providers, dividing up residents, product or services lines or geographic markets, or joint action to boycott or coerce certain customers, suppliers or providers.
16. Loretto and its personnel shall not engage in unfair competition or deceptive trade practices including misrepresentation of Loretto operations. Personnel shall not make false or disparaging statements about competitors or attempt to coerce providers into purchasing services.
17. All personnel shall maintain the confidentiality of Loretto's business information and of information relating to Loretto's vendors, suppliers, providers and residents. Personnel shall not use any such confidential or proprietary information except as is appropriate for business and in accordance with applicable laws. Personnel shall not seek to improperly obtain or to misuse confidential information of Loretto's competitors.
18. All personnel shall follow safe work practices and comply with all applicable safety standards and health regulations.
19. All personnel are responsible for ensuring that the work environment is free of discrimination or harassment due to age, race, gender, color, religion, national origin, disability, sexual orientation, covered veteran status, or any other Protected Characteristic. Any form of sexual harassment, or other harassment based on Protected Characteristic, including the creation of a hostile work environment, is prohibited.

Reporting of Violations

1. Any conduct that is contrary to federal, state or local statutes, ordinances, executive orders, rules, regulations, judicial or administrative decisions, rulings or orders, or Loretto's policies and procedures may subject Loretto to significant civil and criminal penalties, including large fines and being barred from certain types of business. It is, therefore, very important that any illegal activity or violations of the Code be promptly brought to the attention of Loretto management.
2. Any officer, trustee, employee or independent contractor who believes or becomes aware of any actual or suspected violation of the Code or any other illegal activity ("Covered Conduct") by an officer, trustee, employee, independent contractor or another person acting on Loretto's behalf shall promptly report the actual or suspected Covered Conduct in person, by phone, or in writing, to one of the following:
 - a. The Administrator of your facility or Corporate Compliance Officer at 315-413-3660.
 - b. The appropriate business unit or department head or any other senior manager.
 - c. The Compliance Hotline (800) 254-0471.

Upon receipt of a report, the Compliance Officer, with assistance of legal counsel or other advisors as deemed appropriate, shall: (a) determine if the report actually pertains to a matter covered by the Code, (b) acknowledge receipt of the report to the sender, if known, and (c) develop an appropriate plan for addressing the report. The Compliance

Officer shall promptly forward any report related to accounting matters to the Chief Financial Officer. The Compliance Officer may also direct reports that do not involve accounting matters to other appropriate committee(s) and senior staff, Human Resources employees, or other employees and/or outside legal, accounting or other advisors, as appropriate, to review or conduct an investigation for determining appropriate action. When appropriate, an investigation will be conducted promptly. Investigations may include any of the following: consulting with legal counsel, internal or external audits, interviews with possible witnesses, or any other lawful method of investigation.

3. It is a violation of the Code for personnel not to report Covered Conduct, except as provided in New York State Labor Law Section 740. If you have a question about whether particular acts or conduct may be illegal or violate the Code, you should contact one of the persons listed above.
4. It is Loretto's policy to promptly and thoroughly investigate reports of Covered Conduct as appropriate. Personnel are expected to cooperate with these investigations. You must not take any actions to prevent, hinder, or delay discovery and full investigation of a report of actual or suspected Covered Conduct. It is a violation of the Code for personnel to prevent, hinder, or delay discovery and full investigation of any report of actual or suspected Covered Conduct.
5. Any person making a report under the Code may request that it be handled on confidential basis. If confidential treatment is desired, the report shall be set forth in writing and forwarded to the Compliance Officer in a sealed envelope labeled with a legend such as: "Confidential – Submitted Pursuant to Whistleblower Policy." Anonymous reporting is available. Any confidential submission received by the Compliance Officer shall be promptly reviewed and referred in the manner described above. For the protection of the reporting person, the name of the reporting person is not to be shared with those under investigation, unless or until it becomes necessary to do so to complete the investigation, to comply with the law and/or to provide accused individuals with their legal rights of defense. While confidentiality cannot be guaranteed, reasonable steps to protect confidentiality, when requested, will be taken to the extent consistent with the need to conduct an adequate investigation and review. All deliberations are to be considered highly confidential. Records shall be retained of any reports regarding matters submitted pursuant to the Code, tracking the receipt, investigation and resolution of such matters.
6. The following procedures shall apply to the administration of the Code of Conduct. Trustees who are employees of Loretto may not participate in any deliberations or voting relating to the administration of the Code of Conduct. The Compliance Officer shall be responsible for administering this policy and reporting to the Compliance Committee. The Compliance Officer shall report to the Board at least annually on compliance activity. Any person who is the subject of a report under the Code of Conduct shall not be present at or participate in any deliberation, voting or other decision-making on any matter relating to such report, provided that nothing shall prohibit those investigating the report from requesting that the person who is the subject of the report present information as background or answer questions prior to such decision-making.
7. No individual, including current and former employees and independent contractors, employees of independent contractors, trustees, officers or volunteers, shall suffer

intimidation, harassment, discrimination, retaliation,¹ or adverse employment consequences for making a reasonable or otherwise good faith report of Covered Conduct (whether pursuant to the Code of Conduct or otherwise in a manner which is protected under Section 740 of the New York State Labor Law) or for their participation in any internal or governmental investigation of a report of Covered Conduct. Any such retaliation is in violation of the Code of Conduct. Any individual who feels that such retaliation has occurred should contact the Corporate Compliance Officer or Human Resources.

8. Personnel who engaged in Covered Conduct are subject to discipline up to and including dismissal. Personnel who report their own Covered Conduct, however, will have such self-reporting taken into account in determining the appropriate disciplinary action.
9. The Code of Conduct shall also be posted on the Loretto's website and/or at the Loretto's offices in a conspicuous location accessible to trustees, officers, employees and volunteers. Notification regarding the rights provided under Section 740 of the New York State Labor Law, as summarized below, shall be included with such posting, and shall also be posted conspicuously in easily accessible and well-lighted places customarily frequented by employees and applicants for employment at Loretto.

Government Interviews or Investigation

1. Loretto and its personnel shall cooperate fully and promptly with appropriate government investigations into potential civil and criminal violations of the law. It is important, however, that in this process Loretto is able to protect the legal rights of Loretto and its personnel. To accomplish these objectives, unless prohibited by law, any governmental inquiries or requests for information, documents, or interviews regarding matters governed by the Code should be promptly referred to the Administrator's office. Employees should not hold themselves out as an official spokesperson or representative authorized to speak on behalf of Loretto.
2. Personnel who participate in government interviews shall give answers that are truthful, complete, and unambiguous.

¹ New York law includes among prohibited retaliatory actions the following, without limitation: (i) adverse employment actions or threats to take such adverse employment actions against an employee in the terms of conditions of employment including but not limited to discharge, suspension, or demotion; (ii) actions or threats to take such actions that would adversely impact a former employee's current or future employment; or (iii) threatening to contact or contacting United States immigration authorities or otherwise reporting or threatening to report an employee's suspected citizenship or immigration status or the suspected citizenship or immigration status of an employee's family or household member, as defined in subdivision two of section four hundred fifty-nine-a of the social services law, to a federal, state, or local agency.