

El Dorado Consumers Co-operative Society Limited
Code of Ethics
Elected Officers of the Society.

1. **Every member of the Board of Directors (Board) has a duty of good faith and loyalty to the El Dorado Consumers Co-operative Society Limited (Co-op). This means that:**
 - a) Each Board Member owes allegiance to the Co-op and shall act in the best interest of the Co-op.
 - b) A Board Member should be diligent and ensure that the Co-op interests are pursued during meetings of the Board of Directors.
 - c) A Board Member may not use his/her position for personal profit, favors, gain, commissions, bribes, kickbacks, or other personal gains.
 - d) A Board Member is accountable to the Co-op and for his/her official actions and can be held personally liable for fraud or breach of fiduciary duty in conduct of the Co-op's affairs.
 - e) A Board Member who exercise an honest and reasonable judgement and acts reasonably in good faith for the best interest of the Co-op may not be held liable for violation of his/her fiduciary obligation to the Co-op. The following are some of the guidelines:
 - i) A Board Member should not discuss personal business during Board meetings to advance his/her personal interest.
 - ii) A Board Member should not make personal attacks on other Board Members or Staff of the Co-op while performing official duties. Disagreements should remain focused on the issue on hand and NOT on the person who raises an opposing point of view.
 - iii) A Board Member should not accept commissions, rebates, favors or kickbacks that are legally due to the Co-op or for his/her personal gain.
 - iv) A Board Member shall conduct his/her private affairs in a manner that befits the dignity of being on the Board.

2. **A Board Member has a duty of care, skill and diligence when carrying out official duties. This means that:**
 - a) Each Board Member is required to act honestly, in good faith, in a manner reasonably believed to be in the best interest of the Co-op, and with care that a prudent person in a similar position would use under similar circumstances.
 - b) Every Board Member should make their best effort to keep apprised of decisions of the Board of Directors, the Co-op bye laws, The Co-operative Act, any Directives from the Office of the Commissioner of Co-operatives, and any other Legislation that will affect the functioning of the Co-op.
 - c) If a Board Member does not feel competent in an area, he may seek the advice of competent members of the Board.

- d) Each Board Member shall advocate compliance with laws, regulations, policies codes, contracts and agreements to which the Co-op is bound.

To carry out these duties, the following are some of the guidelines:

- i) Each Board Member is expected to make diligent effort to become trained and skilled in good governance practices and in his/her area of expertise.
- ii) A Board Member is entitled to rely upon information and reports presented by officers or other members of the Board, whom the Director reasonably believes to be reliable and competent.
- iii) A Board Member is entitled to rely upon legal opinions, financial statements and records, and other information relating to matters obtained in the normal course of business.

3. A Board Member has a duty to act within the boundaries of his/her authority.

- a) The authority of Board Members is defined by the Co-op Act and regulations and the byelaws of the Co-op.
- b) A Board Member authority is guided by policies and practices adopted by the Board within the general governance framework.

4. Every Board Member has a duty to disclose potential personal conflict of interest to the Board.

- a) A Board Member is required to make full disclosure of any material personal interest, either direct or indirect, he/she may have in any transaction or other negotiation.
- b) A Board Member shall not exercise undue influence or vote on matters where it is deemed that a conflict of interest exist. However, he/she may present information or respond to questions asked.
- c) A Board Member shall ensure that the minutes of Directors Meetings properly record his/her abstention on any votes on matters for which a potential conflict of interest may exist.

5. A Board Member may not divulge or profit from confidential information obtained while performing official duties.

- a) A Board Member shall not divulge or otherwise use for personal gain any information obtained during the performance of duties.
- b) A Board Member shall hold confidential all matters involving the Co-op business until such time that the information becomes public knowledge.

This includes:

- i) Not revealing confidential information about bidding from contractors or other service providers or provide unauthorized information to any third party.
- ii) Shall not peruse or disclose to any third-party private information dealing with the Co-op.

6. A Board Member may participate in the operations of the Co-op only as authorized by the Board of Directors.

- a) A Board Member's primary obligation is to participate in the governance, policy decisions and resource allocation for the operations of the Co-op.
- b) A Board Member shall oversee the implementation of policies of the Co-op.

The above code of ethics shall apply to the Board of Directors, the Supervisory Committee, or any other sub-committee appointed by the Board of Directors or the Members of the Co-op in General Meeting and shall be reviewed at the next meeting of the Board of Directors after each Annual General Meeting.

I, being a member of the El Dorado Consumers Co-operative Society Limited and a Member of the Board of Directors, /Supervisory Committee do hereby agree to always comply with the code of ethics of the El Dorado Consumers Co-operative Society Limited.

Name in Block Letters

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Signature

ID#/DP#/Passport

Date

(Revised 29/07/2021)